

April 7, 2006

TO: John M. Lamerato, Acting City Manager

FROM: Brian P. Murphy, Assistant City Manager/Services
Jeanette Bennett, Purchasing Director
Carol K. Anderson, Parks and Recreation Director

SUBJECT: **Agenda Item:** Standard Purchasing Resolution 3 – Contract Renewals – Emerald Food Service at Community Center and Sanctuary Lake Golf Course

RECOMMENDATION

City management recommends the contract with Emerald Food Service to provide Café and Pro Shop operations in the Community Center, and food and beverage service at the Sanctuary Golf Course be renewed for a two-year period effective May 1, 2006 – May 1, 2008 as allowed by the two (2) agreements. This recommendation is based on positive evaluations performed by Parks and Recreation staff at the Community Center and Sanctuary Lake Golf Course and the willingness of Emerald Food Service to make adjustments in their operations to accommodate community groups who utilize these facilities.

BACKGROUND

A three-year contract with Emerald Food Service to provide a café/pro shop at the Community Center was approved by City Council (Resolution #2002-01-014) on January 7, 2002. At the end of this three-year contract period, the Agreement was amended with the Agreement at the Sanctuary Lakes Golf Course (Resolution #2004-08-441) to allow a combined expiration date of May 1, 2006 and aligned both contracts with the start of food service operations at Sanctuary Lakes Golf Course.

During the contract period, the contractor was evaluated (exhibit 1) by staff and achieved positive evaluation scores. Emerald Food has been receptive to change their policies to accommodate patron recommendations.

Specifically, the contractor has agreed to develop a discounted snack menu (exhibit 2) for 501c(3) non-profit resident groups who meet at the Community Center monthly in response to criticism of high prices from the Senior Advisory Committee.

A summary of comments from users is attached for review.

Reviewed as to Form and Legality: _____
Lori Grigg Bluhm, City Attorney Date

Emerald Food Service Summary of Operations
2003-2006

Number of Banquet Customers: 480
Number of Total Events: 1980
Average Number of Events per Customer: 4
Number of City Events: 600+

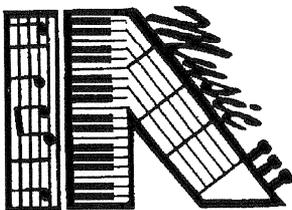
The number of satisfied customers has been high. Many have written thank you letters to praise the food and service.

Number of Documented Complaints Received Involving Food: 10
Number of Documented Complaints Received Involving Service: 7

Summary of Documented Complaints

- 1. Problems with the quality of the food have been rare. Documented cases include:**
 - a. Roast beef at Senior Dance was overcooked
 - b. Athens Baseball Banquet had problems with pasta being stuck together, minimal sauce, instant mashed potatoes, and iceberg lettuce for the salad. After investigation, EFS reported that their chef was sick and the back up cook did not prepare the food correctly.
 - c. Two spoiled sandwiches were sold at the Café.
 - d. Pizza served at many of the birthday parties was cold and did not taste good. EFS have since subcontracted the pizza service to Papa Romano's because they do not have the proper ovens to prepare this item.
 - e. Cakes were not baked evenly or decorated appropriately. EFS has since allowed groups to bring in their own commercially prepared cakes since they do not have a pastry chef to properly prepare this item.
 - f. Soft drinks from their fountain machine have been flat at a couple of banquets.

- 2. Problems with their service have involved the following situations:**
 - a. Posted hours at the café have not been followed. EFS workers close the café to take breaks, help out in the kitchen and deliver food to banquet rooms. Much of these problems are due to their efforts to reduce staffing costs but it is actually hurting sales at the café. EFS have now rescheduled their staff so that there will not be any disruptions to the posted schedule.
 - b. During banquets, food and plates have occasionally been in short supply and not restocked quickly enough.
 - c. Staff has been slow in responding to questions about food from Carla Vaughn regarding senior events.
 - d. Vending machines have not been operating consistently. EFS have adjusted the timer on the machines so they are turned on when the café is closed.
 - e. EFS service staff involved with Friday Frolic have not been pleasant to work with on two occasions and failed to deliver food/beverages at one event in April 2006.
 - f. EFS failed to deliver food/beverage at a Parks and Recreation function in August 2005.
 - g. Cost of food is too high for non-profit groups. EFS have developed a discounted menu to accommodate these groups in the future.
 - h. EFS management staff has occasionally offended patrons and city staff with tone of voice and professionalism when he responding to criticism from others.



International Academy Music Boosters

International Academy
1020 E. Square Lake Rd
Bloomfield Hills, Michigan 48304-1957 USA
Telephone: 248 341-5900 Fax: 248 645-4826

August 24, 2003

Jack Grushko
Food Service Coordinator
Emerald Food Services
3179 Livernois
Troy, Michigan 48083

Dear Jack,

I wanted to let you know we have rebooked our banquet with you for June of 2004. Our music banquet was a great success due to the care of your company. The comments I received from the students, parents and guests were all favorable. They thought the food absolutely delicious and plentiful, the price reasonable and the facility perfect.

On a personal note, I want to thank you and all of your staff at Emerald Food Services for making my job as banquet chair so easy. You made me look like a pro. My special thanks to Annette Mulcahy who helped me with everything, including set-up, decorations, menu planning, and cost saving suggestions. The banquet was beautiful due to her personal touch and attention to detail.

I look forward to working with all of you again next June.

Sincerely,

Jean V. Schramm
IA Music Boosters Banquet Chairperson
E-mail schramk@mail.resa.net



March 31, 2004

Emerald Food Services
1980 Greenfield Rd.
Berkley, MI 48072

Dear Ms. Mulcahy,

Thank you for making our first experience with Emerald Food Service a positive one.

Not only did our guests receive a delicious meal, Emerald's staff was very attentive to assure there was always an ample supply available.

Your unique use of internal cell phones to reach you immediately if we had any needs that evening was very reassuring and a definite added bonus letting me concentrate on our program, speakers, and guests. It proved effective when an additional last minute request to add coffee to the menu magically appeared.

Thank you for your personal one-on-one attention to help select a meal accommodating everyone's needs.

Again, hats off again to you, the chief, and Emerald's very professional staff. It was a pleasure to work with you.

Sincerely,

A handwritten signature in cursive script that reads "Dorothy Busignani".

Dorothy Busignani
Community Development Director

American Cancer Society, 39425 Garfield, Suite 24, Clinton Twp., MI 48038 *586.263.8000



200 E. Big Beaver Rd. Troy, MI 48083 P: 248-680-4604 F: 248-680-4605

March 31, 2004

Annette Mulcahy
Banquet Coordinator
Emerald Food Services
3179 Livernois
Troy, MI 48083

Dear Annette,

Our family would like to thank you and everyone at Emerald Food Service for helping to make our daughters wedding reception such a pleasurable memory.

After looking at several food service companies, we were impressed at how much lower your prices were. Nobody came close.

We had heard that the quality of the food was very good. Our expectations were surpassed! It wasn't very good, it was excellent! Very delicious. We have received many comments since the event about how good the food was.

Then there was the staff. What can I say but "extremely professional and accommodating." What impressed me most was the fact that I was given a contact card with cellphone numbers of the staff in case I couldn't find one close by. Wow, now that's what I call accommodating.

The entire reception went off without a hitch. Our new son-in-law commented to us late in the evening that the entire day had turned out exactly how our daughter had dreamed. You and your people are to be thanked and commended for helping to make that happen.

We have already begun telling people about the great service we received and are highly recommending Emerald Food Service to anyone we know is in need of your services.

Again, thank-you so much for helping to create a great memory.

Sincerely,

A handwritten signature in black ink that reads "Michael L. Harvill". The signature is written in a cursive, flowing style.

Michael L. Harvill, CSA
President/CEO

MLH:mbh

October 24, 2004

To Tracy Community Center and Emerald Food Service,

I am writing this letter with great appreciation. Our son Adam's Bar Mitzvah party was so much fun. The kids had a great time with the gym coaches and the basketball court. After the gym they had a blast in the pool until dinner was served. It was Annette's idea to set the kids buffet up in the foyer area. It worked out very well as the kids came towards the party room they helped themselves to the buffet. The room was set up just right. The P.T. had the right amount of space as did the digital photo booth and airbrush tattoo stations. Annette was so accommodating and helped me make better choices with all of her past experiences. The candle lighting and proper equipment to show the video made everything go smoothly. The colored table linens were exactly what I wanted. Annette's patience with me was incredible. I made many additions two weeks prior to our party. Annette made it all happen, with a smile. The staff including the basketball coaches, lifeguards, waitstaff, Annette and Craig were so pleasant to work with. Everyone at Tracy Community Center and Emerald Food Service went the extra mile. This made our families special evening a memory,

we won't want to forget. Our son
was so happy with the way his party
turned out.

Thanks for the memory,
most sincerely,
Jamie + God Jake

Annette Mulcahy

From: REIDSCOOTIN@aol.com
Sent: Monday, October 25, 2004 11:41 PM
To: Annette@Emeraldfood.com
Subject: Re: Follow Up

Hi Annette,

I was in the process of drafting you a letter, but e-mail makes it much easier. My guests, and I concur, said the food was delicious. They especially raved about the garlic potatoes and the chicken. Peach Cobbler is one of my favorite desserts and yours was wonderful. The service and professionalism of you and your staff was excellent.

Thank you!

Brinda P. Reid

 Thank You 

Dear Annette,

The shower was a success!
You were the major factor in that
success. The food was delicious!

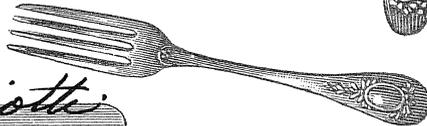
I was in awe of how efficiently you
set up, served, and cleaned up.

I am so glad we chose the pasta
primavera. It was filling yet not heavy.

You were wonderful to work with.
Thanks a million!

Sincerely,

Julie Segliotti



Annette,
Thank you for the message. Everything for the golf outing was perfect. I had very positive feedback about the whole outing and specifically about the food and service. We thoroughly enjoyed everything!

I will keep your information for next year and for anything else that may come up in the mean time.

Thanks again.

Tom Spring

>>> "Annette Mulcahy" <annette@emeraldfood.com> 10/03/05 1:35 PM >>>
Good Afternoon Tom,

Just checking in to find out how you felt your outing at the Sanctuary Golf Course went? I would love any feedback you would like to share. We as a company, Emerald Food Services can only grow from guest comments. I look forward to hearing from you. If you are ever looking for meeting space other than golf or if you ever want to do anything with your group that involves a Gym or Swimming, please don't hesitate to contact me at 248-689-2494, Troy Community Center.

Annette Mulcahy

Banquet Manager

Annette, thanks for the great room and service today. Our meeting went very smoothly. All items requested were in the room, at the appointed time, and one of your staff even stopped by, prior to our meeting, to inquire as to whether "everything was okay"? (That's what I call caring about quality service...few people follow up.)

Accounting does a check run on Wednesday, with checks being mailed that same day...so your check should arrive Thursday or Friday of next week. Believe you will find our payment record is excellent!

I may also have "gleamed" another client for you today! Our speaker, from Dale Carnegie, was so impressed with the room, service, and facility that he is going to recommend it to his staff for one of their meetings!

Best Regards,

Wanda Cassell

Annette,
Just want to say " thanks" to you and your staff for the service yesterday. All worked out just great. We hope to business again in the future and will contact you next week to confirm remaining dates. Thanks, again.

Debi Wilkelis
Medical Director's Office
Lakeside Administration
Henry Ford Medical Group
14500 Hall Road
Sterling Heights, MI 48313
Phone: 586/247-2670
Fax: 586/247-2682
dwilkell@hfhs.org

On December 18th, we (Woodside Bible Church) had the pleasure of employing Emerald Food Services for a Middle School youth group Christmas banquet. The students had a blast much in part to the great food that was provided by Emerald Food Services and great service

Melissa was extremely kind in filling last minute requests we had for the room and did a great job throughout the evening. I would recommend Emerald Food Services to any organization that desires quality food, service, and facilities.

Sincerely,

Steve Zarrilli
Woodside Bible Church
Middle School Pastor
(248) 740-0888

Hi Annette!

Everything was wonderful, and I would highly recommend having events there again. I received many compliments, and one of the mom's, who will be on the committee for next year's softball banquet said she needs to have it there next year! She was the one who wanted the MSU extension location, and when I pursued the community center, she dropped it. The food was wonderful, and the service was very hospitable and customer friendly! I couldn't believe that we were given cards to call and have more beverages put out, I have never seen that before!

I asked Carol Corrie (from work) if she remembers you, and she said she thinks she does. She couldn't remember a lot, I told her you called Jack, a party animal, and we laughed! What a small world! It was good to see you again. Stay well Annette, and if you see Bev thank her also, as I lost her e-mail address when the computer went down. You guys were great!
Marie Guerra

Hi Annette,

The shower was beautiful and the food delicious! We received so many compliments on the berry cobbler and lasagna...pass that on to the chef. Everything was wonderful and all of the women enjoyed the afternoon. Please let everyone know that we appreciate all the effort that went into serving and setting up and clean up. You made a very special day even more memorable.

Have a great day,

Ilene O'Neil
Training Manager
RDH Health Services, Inc.
248-524-1963
ilene@rdhhealthservices.com

Hi Annette

I just wanted to thank you and your staff for the awesome assistance that DCI Marketing received to make our Christmas party a complete success.

Your staff was very helpful throughout the evening. They went above and beyond the "call of duty" to make everything just perfect.

Your suggestion to move our party to Room 304 was right on! The food was hot and very good. I especially enjoyed the mosticcoli!

Thanks again for all of your help and I look forward to including you in our 2005 Christmas plans!

Cindy Spencer
DCI Marketing

Good Morning Jack,

One comment we heard a lot yesterday afternoon was "The food is great, how did they make that chicken and potatoes." Our guests loved the food and the beauty of the complex. In fact so many did not know the place existed. Jack, I just want to thank you and your staff for making my daughters celebration fabulous. Melissa and Crystal were very accommodating and helpful. You can be sure I will recommend the hall or use it again myself should the occasion arise. Have a great day and Thanks again!!

Carol Johnson

-----Original Message-----

From: PGlick@Celebrity.com [mailto:PGlick@Celebrity.com]
Sent: Monday, March 08, 2004 5:17 PM
To: Annette Mulcahy
Subject: Re: Follow up to your event at Troy Banquet & Event Center

Thank you for the follow through. I received your voicemail as well, but I am traveling and this is the first chance I have had to respond.

My event at the Community center was beautiful. Excellent service and facility. I would highly recommend the experience to anyone. Thank you for your assistance, Annette.

Warmest Regards,

Peggy Glick
Key Account Manager
Celebrity Cruises
pglick@celebritycruises.com

Celebrity Select: 1-800-MY-CELEB
View our Promos @: www.creative.rccl.com/sales
Visit our TA Partner site @ www.cruisingpower.com

-----Original Message-----

From: Linda Lamoureux [mailto:lamoureuxlinda@hotmail.com]

Sent: Monday, March 08, 2004 12:23 PM

To: Annette@Emeraldfood.com

Subject: RE: Follow up to your Party

Good morning Annette,

We didn't get much sleep, but had a great time. Your staff was very well organized...professional and courteous, it was great, everything went very smoothly! The community center staff was also very helpful and friendly. Thanks again for your help.

Ta ta for now,

Linda

-----Original Message-----

From: Michelle Szczepanski [mailto:Szczepanski123@comcast.net]

Sent: Monday, March 29, 2004 9:27 PM

To: Annette Mulcahy

Subject: RE: Follow up on your Party this past weekend

Hi Annette

Thanks for the reminder re: letter

I just sent out an email to Brian Nutting, the Band Director.

Will get that out ASAP once he gets back with me.

We received lots of compliments on the food and the excellent service provided.

No one complained - which is usually what you hear first. The food was delicious,

hot and plentiful. Your staff was there immediately meeting our needs.

Debbie was

wonderful to work with. They helped to make the event very successful.

It was all wonderful! Thank you again.

Michelle

oh yes, the students mentioned how great it was that the subs were SO BIG.

It was plenty for them!

THIS WAS FROM THE US POSTAL SERVICE

From: Annette Mulcahy [mailto:Annette@Emeraldfood.com]

Sent: Friday, July 16, 2004 1:18 PM

To: Neal, Regena G - Madison Heights, MI

Subject: Follow up on meeting July 14

Hey there Regena

Just checking in to find out how Juanita felt the day went here at the Center and more importantly how we did with the Food and Beverage

comments.

Please feel free to contact me personally if you need to at 248-563-5730

cell.

I look forward to working with you in the future for upcoming events

your

group may have.

Annette Mulcahy

Banquet Coordinator

EXCELLENT!

Juanita Banks said she loves you guys and you do good work and the food was delicious. It was excellent service.

Regena

248.546.1327

Hi Annette,

Sorry for the delay in this response as I was out of the office last week. Everything went fine at the Troy Community Center. The doctors did arrive early and were aware that they would have to wait for the room to be available at 1PM. We did use all of the bottles of water. Thank you for taking care of that for us. As usual, our experience with all of you was great.

Thanks again.

Karen Kozikowski

Binson's Home Health Care Centers, Inc.

-----Original Message-----

From: Leilani Ware [mailto:lware@beaumont.edu]

Sent: Thursday, February 19, 2004 9:22 PM

To: Annette@Emeraldfood.com

Subject: Re: Follow up to your meeting held at the Troy Banquet and Event Center

Hi Annette!

Everything went great at Troy, even better than expected! Thank you.

I sent the check for the total amount last week, so please let me know if you haven't received it.

It was a great meeting you also!

Take care,

Leilani

Hi Annette,

I thought everything was great. The comments made to me were positive, such as the food was good, they liked the set up, the room was nice, it was ready on time and there was plenty of everything. Most bowling banquets everyone clears out as soon as the money is distributed. There were some negative comments not told directly to me but since I know this particular woman pretty well I just consider the source. One of my closer friends commented to me about the plastic utensils. If that was her only problem I don't think it was much of one. Most women I talked to did not have a problem with the utensils, especially since they were

the banquet at the community center again. In the past we have been squished in rooms too small, food put in the hallway, people in rooms next to us with paper thin dividers banging on them because we were "too loud", and we paid much more and the food quality was not anything terrific. Thanks for all your attention. It was nice working on this with you.

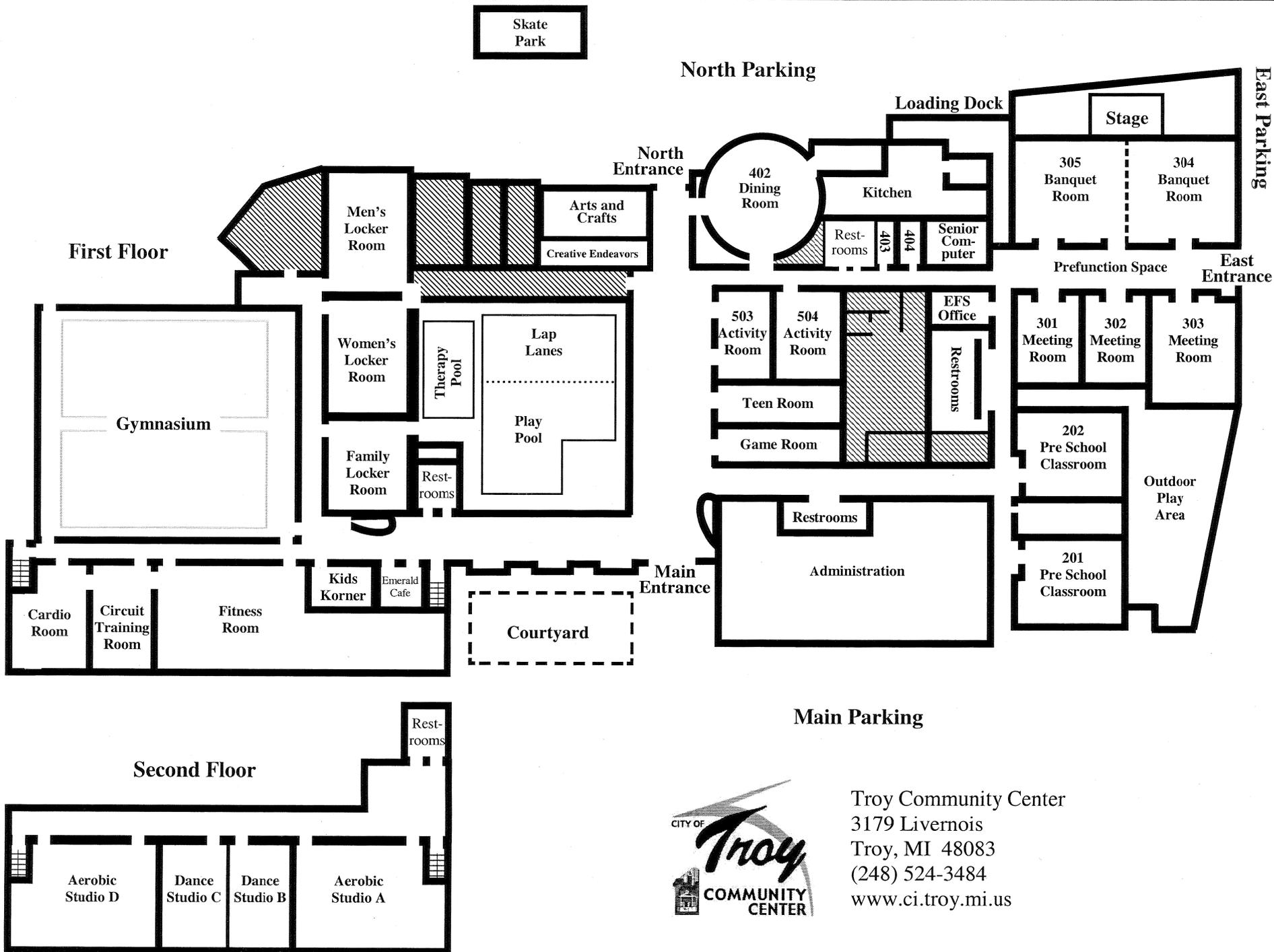
Let me know if there is anything else.

Maryann Locricchio

On Thu, 13 May 2004 09:47:43 -0400 "Annette Mulcahy"

<Annette@Emeraldfood.com> writes:

Town Center Drive



Livernois



Troy Community Center
 3179 Livernois
 Troy, MI 48083
 (248) 524-3484
www.ci.troy.mi.us

Executive Summary of Café/Pro Shop Operation – 2002 to 2004

Name of Vendor – **Emerald Food Service**Contact Person – **Jack Grushko**

Performance Factor	Final Score	Essential City Staff Comments	Jack Grushko Comments
<p>1. Appearance of Staff: Consider day-to-day requirement in relationship to appearance. Are they in uniform? Is a positive impression presented to public? Maximum points – 40</p>	32	Staff in café/pro shop is not in uniform on most occasions. Staff involved in catering is in uniform.	
<p>2. Work Attitude: Are staff interested in job? Is the staff courteous to public, staff? Maximum points – 40</p>	36	EFS removed staff person who was not customer service oriented in 2003. There have been a few isolated comments from patrons who have been unhappy with staff attitude.	
<p>3. Quality of Food: Did the vendor maintain their menu as submitted at beginning of season? Is food prepared to expectations? Maximum points – 40</p>	38	High quality of food for catered events. Only negative experiences were with pizza and birthday cakes. Menu has adjusted to customer demand. Vendor willing to work with customer when designing event menu.	
<p>4. Dependability: Does the contractor open as scheduled? Do they open for events not required in the contract? Maximum points – 40</p>	34	Café hours have expanded but still receive complaints when its closed during hours that it is posted to be open. Vendor has been willing to staff any special events and holidays when requested.	
<p>5. Cleanliness: Does the vendor keep the eating area clean? Do they power wash required areas? Do they empty trash receptacles, where required? Maximum points – 40</p>	38	Vendor keeps counters and storage room clean in café. Closer attention to detail could be done in the patron area of the café.	
<p>6. Communication: Does contractor communicate with department staff on a regular basis? Are they easily accessible to contact? Do they return phone calls/emails promptly? Maximum points – 40</p>	40	Great communication with the vendor in terms of set ups needed for events. Vendor communicates with customers in a timely fashion.	
<p>7. Certifications: Does the support staff have the proper county certifications? Does the contractor have the proper food certifications? Max points-35</p>	35		
<p>8. Permits / Licensing: Does the vendor comply with</p>	35	Café and kitchen have passed health department standards.	

Oakland County Health Department standards? Maximum points - 35			
9. Problem Solving: Does the contractor follow through on concerns/problems that arise? Maximum points - 40	38	Vendor has responded well to unique challenges within the Community Center in terms of pricing, kitchen space and reservation procedures. Willing to come up with new ways to address problems.	

10. Comments and Recommendations:

- Received many positive letters from patrons who were happy with catered meals
- Notified staff of Community Center food policy violations
- Developed good marketing pieces to stimulate business

11. Listed below are areas that the contractor improved their performance:

- Opened the café at 7 am and established two days when it is open all day.
- Installed dishwasher in order to provide china service for meals

12. Listed below are areas which improvement should be attempted by the contractor:

- Establish a consistent uniform for staff working in Café.
- Maintain posted hours in café by limiting temporary shutdowns during week while workers take breaks, retrieve food from the kitchen or deliver catered food to rooms.
- Limit price increases for non-profit groups and continue to develop food packages that are affordable for these groups.
- Inform the city if café needs to be cleaned more frequently than scheduled.

13. **VENDOR:** Did the city meet your expectations?

14. **VENDOR:** List any areas that you feel that city can improve for the concession operations:

TOTAL SCORE 326
TOTAL POSSIBLE SCORE 350 MINIMUM PASSING SCORE 221 (70%)

Both parties listed below have reviewed this evaluation. Contractor to check one box below:

- Agree with the rating given
- Generally agree with the ratings give
- Disagree with the ratings given

Signature of Parks and Recreation Representative  Date
Signature of Contractor  Date 3/29/05

Executive Summary of Café/Pro Shop Operation – 2005

Name of Vendor – **Emerald Food Service**Contact Person – **Jack Grushko**

Performance Factor	Final Score	Essential City Staff Comments	Jack Grushko Comments
<p>1. Appearance of Staff: Consider day-to-day requirement in relationship to appearance. Are they in uniform? Is a positive impression presented to public? Maximum points – 40</p>	38	Café staff is not in uniform 100% of the time. Have seen new workers without staff shirts.	
<p>2. Work Attitude: Are staff interested in job? Is the staff courteous to public, staff? Maximum points – 40</p>	38		
<p>3. Quality of Food: Did the vendor maintain their menu as submitted at beginning of season? Is food prepared to expectations? Maximum points – 40</p>	35	Menu has changed to accommodate demands from patrons. Although catered food has been received well, patrons have complained about pizza and “bad” tasting sandwiches in the café. Senior Holiday Dance complained the beef was poor and there was not enough plates/cups on hand.	
<p>4. Dependability: Does the contractor open as scheduled? Do they open for events not required in the contract? Maximum points – 40</p>	35	Food service was missed for Parks and Recreation event in September and pizza was served at wrong time for Friday Frolic. Café is closed too frequently at times while worker takes break, picks up food from kitchen or delivers food to meetings.	
<p>5. Cleanliness: Does the vendor keep the eating area clean? Do they power wash required areas? Do they empty trash receptacles, where required? Maximum points – 40</p>	38	Vendor could pick up trash and plastic trays in eating area more frequently and after meals.	
<p>6. Communication: Does contractor communicate with department staff on a regular basis? Are they easily accessible to contact? Do they return phone calls/emails promptly? Maximum points – 40</p>	37	Although not always in office during business hours, they are accessible via cell phone at all times. Have had a few problems with food orders at staff events (i.e. Recreation Focus Groups, Friday Frolic) where food was not served or served at wrong time due to miscommunication issues.	
<p>7. Certifications: Does the support staff have the proper</p>	35		

county certifications and food certifications? Max points-35			
8. Permits / Licensing: Does the vendor comply with Oakland County Health Department standards? Maximum points - 35	35		
9. Problem Solving: Does the contractor follow through on concerns/problems that arise? Maximum points - 40	36	We have worked to resolve most problems in quick manner but kitchen cleaning issue took longer than necessary for a response.	

10. Comments and Recommendations:

- Received many positive letters from patrons who were happy with catered meals
- Developed good marketing pieces to stimulate business

11. Listed below are areas that the contractor improved their performance:

- Developed food and room packages to stimulate reservations

12. Listed below are areas which improvement should be attempted by the contractor:

- Maintain posted hours in café by eliminating temporary shutdowns during week while workers take breaks, retrieve food from the kitchen or deliver catered food to rooms by having existing kitchen staff deliver food or fill in during breaks.
- Submit invoices to the city in timely manner.
- Review alarm procedures with staff who open the building to eliminate false alarms.
- Offer coupons to new fitness members to encourage traffic in the café.

13. **VENDOR:** Did the city meet your expectations?

like to see more joint add's. Would like to participate in some joint advertising.

14. **VENDOR:** List any areas that you feel that city can improve for the concession operations:

*offer liquor on the weekends
we lose \$1000.00's of dollars in 1st revenue because of this restriction!*

TOTAL SCORE 327

TOTAL POSSIBLE SCORE 350 MINIMUM PASSING SCORE 221 (70%)

Both parties listed below have reviewed this evaluation. Contractor to check one box below:

- Agree with the rating given
 Generally agree with the ratings give
 Disagree with the ratings given

Signature of Parks and Recreation Representative *Kenny Schmitt* Date 1/6/06
Signature of Contractor *[Signature]* Date 1/6/2006

Executive Summary of Sanctuary Lake Grillroom – 2005

Name of Vendor – **Emerald Food Service**Contact Person – **Jack Grushko**

Performance Factor	Average Score	Essential City Staff Comments	Jack Grushko Comments
1. Appearance of Staff: Consider day-to-day requirement in relationship to appearance. Are they in uniform? Is a positive impression presented to public? Maximum points – 40	39	They have done a good job making sure all employees are in uniform each day.	
2. Work Attitude: Are staff interested in job? Is the staff courteous to public, staff? Maximum points – 40	37	All staff members have had a good attitude towards work and customers.	
3. Quality of Food: Did the vendor maintain their menu as submitted at beginning of season? Is food prepared to expectations? Maximum points – 40	35	The food offered has been good and no complaints have been submitted about the quality. All items that were submitted in the bid have not been served, i.e. The outside grill	
4. Dependability: Does the contractor open as scheduled? Do they open for events not required in the contract? Maximum points – 40	30	There have been instances when the grill was opened late or closed early, with customers complaining.	
5. Cleanliness: Does the vendor keep the eating area clean? Do they power wash required areas? Do they empty trash receptacles, where required? Maximum points – 40	38	They have done a good job of maintaining a neat and clean area	
6. Communication: Does contractor communicate with department staff on a regular basis? Are they easily accessible to contact? Do they return phone calls/emails promptly? Maximum points – 40	38	They have had an open line of communication with the golf staff, utilizing cell phones and email	
7. Certifications: Does the support staff have the proper county certifications? Does the contractor have the proper food certifications? Max points-35	35		
8. Permits / Licensing: Does the vendor comply with Oakland County Health Department standards? Maximum points - 35	35		
9. Problem Solving: Does the contractor follow through on concerns/problems that arise? Maximum points - 40	38	They have followed through on all concerns and problems that have come up throughout the year.	

9. Problem Solving: Does the contractor follow through on concerns/problems that arise? Maximum points - 40	38	They have followed through on all concerns and problems that have come up throughout the year.	
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10. Comments and Recommendations:

- Did a good job providing food appropriate for the facility on a daily basis.
- Worked hard at trying to develop outside business and spark interest about the facility

11. Listed below are areas that the contractor improved their performance:

- N/A

12. Listed below are areas which improvement should be attempted by the contractor:

- Try and provide more options for special events such as outings and small groups
- Utilize the outside grill and covered area to try and provide a more convenient area to service golfers on the course.
- Use of a beverage cart on the course on a daily basis.

13. **VENDOR:** Did the city meet your expectations?

14. **VENDOR:** List any areas that you feel that city can improve for the concession operations:

TOTAL SCORE 325

TOTAL POSSIBLE SCORE 350 MINIMUM PASSING SCORE 221 (70%)

Both parties listed below have reviewed this evaluation. Contractor to check one box below:

- Agree with the rating given
- Generally agree with the ratings give
- Disagree with the ratings given

Signature of Parks and Recreation Representative _____

Date 1-5-06

Signature of Contractor _____

Date 1-5-06

EXHIBIT 2

**EMERALD FOOD SERVICE
NON-PROFIT GROUP SNACK MENU**

Quick & Easy.....	\$3.55
<i>Assorted bagels & muffins, with cream cheese & preserves fresh brewed coffee</i>	
Sweet Treat.....	\$ 4.45
<i>Assortment of cookies, brownies and freshly brewed coffee</i>	
Dozen Cookies.....	\$ 8.10
<i>Freshly baked 1.5 oz cookies</i>	
Brownies by the Dozen.....	\$9.00
<i>Freshly baked 2.0 oz</i>	
Bagels by the Dozen.....	\$ 8.50
W/Cream Cheese.....	\$12.00
Chips Big Grab.....	\$0.75
Soda in the Can.....	\$0.75
<i>Coke products served in your own cooler</i>	
Coffee or Tea.....	\$13.50
<i>1 ½ gallons of freshly brewed coffee (serves 25 cups)</i>	

*No Service charge
Must pick-up in the Kitchen or Café
Groups responsible for Clean-up*

Preservation Standards, with attention to the removal of undesirable and unhealthy trees.

3. The petitioner and Engineering Department address the stormwater drainage concerns of the neighboring property owners in the preparation and approval of the engineering plans.
4. Staff review of overland and subterranean hydrology to ascertain connections to existing bodies of water.
5. City Staff to work with the petitioner to explore the potential of a conservation easement.

Yes: Stine, Beltramini, Eisenbacher, Lambert

No: Schilling, Broomfield

Absent: Howrylak

MOTION CARRIED

The meeting **RECESSED** at 9:16 PM.

The meeting **RECONVENED** at 9:29 PM.

B-6 Emerald Food Services, Inc.: Proposed Contract and Amendment Executions and Request for Quota Class C Liquor License

Resolution #2004-08-441

Moved by Lambert

Seconded by Stine

WHEREAS, On April 12, 2004, a contract was approved for one year with two additional one-year options for food service at Sanctuary Lake Golf Course to the bidder with the highest score and overall return as the result of a best value process, Emerald Food Service, Inc. (Resolution #2004-04-186).

WHEREAS, The award included a combined revenue sharing plan with the Community Center Café Operation.

WHEREAS, The expiration dates of both contracts should coincide and staff recommends having both contracts expire one year after commencement of the food service operation at the golf course with either two additional one-year options to renew or additional two-year options to be determined at the end of the first year of operation.

WHEREAS, An integral requirement of the contract for Sanctuary Lake Golf Course includes application of Emerald Food Service, Inc. for a new Quota Class C Liquor License which has occurred.

WHEREAS, The Liquor Advisory Committee recommends the application for a new Quota Class C Liquor License pursuant to the meeting held on August 9, 2004 and a background investigation of the applicant by the Troy Police Department revealed no criminal activity or disqualifying factors.

(a1) Execution of Sanctuary Lake Golf Course Food and Beverage Service Contract

NOW, THEREFORE, BE IT RESOLVED, That the food and beverage service contract for Sanctuary Lake Golf Course with Emerald Food Service, Inc. is hereby **APPROVED** and the Mayor and City Clerk are hereby **AUTHORIZED TO EXECUTE** the documents; a copy of which shall be **ATTACHED** to the original Minutes of this meeting; and

(a2) Execution of the Third Amendment of the Agreement for the Community Center Café/Pro Shop

BE IT RESOLVED, That the Third Amendment of the Agreement for the Community Center Café/Pro Shop with Emerald Food Service, Inc. is hereby **APPROVED** and the Mayor and City Clerk are hereby **AUTHORIZED TO EXECUTE** the documents; a copy of which shall be **ATTACHED** to the original Minutes of this meeting; and

(b) New License

BE IT RESOLVED, That the request from Emerald Food Service, Inc. for a new Quota Class C Licensed Business with Sunday Sales, Official Permit (food) and Outdoor Service Area, located at 1450 E. South Blvd. – Troy, MI 48085 – Oakland County, “above all others”; be considered for approval. It is the consensus of this legislative body that the application be **RECOMMENDED** “above all others” for issuance; and

(c) Agreement

BE IT FURTHER RESOLVED, That the City Council of the City of Troy **DEEMS IT NECESSARY** to enter agreements with applicants for liquor licenses for the purpose of providing civil remedies to the City of Troy in the event licensees fail to adhere to City of Troy Codes and Ordinances; and

NOW, THEREFORE, BE IT FINALLY RESOLVED, That the City Council of the City of Troy hereby **APPROVES** an agreement with Emerald Food Service, Inc., which shall become **EFFECTIVE** upon approval of the request for a new Quota Class C Licensed Business with Sunday Sales, Official Permit (food), and Outdoor Service Area, “above all others”, located at 1450 E. South Blvd, - Troy, MI; and the Mayor and City Clerk are authorized to **EXECUTE THE DOCUMENT**; a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

Yes: All-6
 No: None
 Absent: Howrylak

B-12 Scheduling of a Study Session to Discuss Neighborhood Compatibility Issues

Resolution #2004-08-442
 Moved by Stine
 Seconded by Beltramini

Agreed Contract

AGREEMENT
FOOD SERVICE AT SANCTUARY LAKE GOLF COURSE

THIS "AGREEMENT" entered into on August 30, 2004, between the CITY OF TROY, 500 W. Big Beaver Road, Troy, Michigan 48084, hereinafter referred to as the "City", and Emerald Food Services I, LLC., a Michigan limited liability company, whose address is 1980 Greenfield, Berkley, Michigan 48072, hereafter known as the food service provider for Sanctuary Lake Golf Course, hereinafter referred to as the "Operator";

WITNESSETH:

In consideration of the City granting to the Operator the exclusive privilege and right of conducting the sale of food, beverages including alcoholic beverages, vending machines, and catering rights for golf outings at the Sanctuary Lake Golf Course, the parties agree as follows:

1. REVENUE SHARING PLAN: The Operator and the City have previously entered into an Agreement with Amendments in which the Operator has the use of the kitchen area at the Troy Community Center Café/Pro Shop and catering rights at the times and locations set forth or excluded in the Agreement and its Amendments. The Community Center Café/Pro Shop Agreement and Amendments set up a revenue sharing plan.

The parties to this Agreement (Food Service at Sanctuary Lake Golf Course Agreement) desire to use the same revenue sharing plan as set out in the Community Center Café/Pro Shop Agreement and Amendments and, for computation purposes, the parties desire to combine the gross receipts for the food and beverage operation at both the Community Center Café/Pro Shop and Sanctuary Lake Golf Course, including all monies derived from the operation of the café/pro shop, catering service including off-premises catering where food was prepared in the Troy Community Center kitchen but excluding revenue from coffee/tea service at the Center for seniors from 8:00 a.m. to noon, the golf course grillroom, the golf course outside food service area, catering for golf outings and vending machines and sundry items at both locations less Michigan Sales Tax (6% as of the date of this Agreement). A sixteen percent (16%) service fee in lieu of a gratuity may be added to catering for outings only. That 16% service fee shall be included in the gross receipts under this Agreement. In exchange, the Operator agrees to pay the City an incremental percentage of the combined yearly gross receipts of both facilities with a guaranteed minimum per year based on the revenue sharing plan as follows:

- | | |
|-------------------------------|--|
| a. 0 to \$200,000 per year | \$10,000 guaranteed minimum
(Minimum guaranteed per year) |
| b. \$200,001 to \$300,000 | 7% |
| c. \$300,001 to \$600,000 | 10% |
| d. \$600,001 per year or more | 12% |

Since it is impossible to estimate what the total gross receipts will be for the first year of the combined operation, the City agrees to accept monthly payments representing one-twelfth (1/12) of the guaranteed minimum of \$10,000.00, or \$833.33, to be paid on the first (1st) day of each month beginning with the month after the date on which the Operator has opened its Sanctuary Lake food service business and generated its first revenue for Sanctuary Lake Golf

Course, herein after "combined start-up date", until total gross receipts for the first year of combined operations can be computed. The period of time between combined start-up date and the one (1) year anniversary of that start up date shall be defined herein as the "combined first fiscal year" of the combined operations and each year thereafter shall be known as a "fiscal year".

Within sixty (60) days after the end of the combined first fiscal year, the Operator will provide an accounting of gross receipts from the combined first fiscal year and reconcile the amount actually paid to the City during the combined first fiscal year with the amount due the City of the percentage of gross receipts under the revenue sharing plan. The City has the right to request documentation of the reconciliation and, upon reasonable notice to the Operator, shall be provided with access to books and records of the Operator for review or audit, if deemed necessary. If additional monies are due the City for the combined first fiscal year of operation under the Agreement, those monies shall be paid forthwith to the City but no later than sixty (60) days after the date of the end of the first fiscal year.

The parties agree that the final figure accepted by the City as the combined first fiscal year gross receipts shall be used to compute payments under the Agreement for the first option in which the contract is renewed. That figure, shall be divided by 12 to obtain the monthly payment amount for the second fiscal year of operation. Those payments shall continue to be due and payable to the City on the first (1st) day of each month. If calculations of the gross receipts for the combined first fiscal year are not immediately available to calculate monthly payments for the second fiscal year, then the Operator will continue to pay \$833.33 per month and as soon as the calculations are available, monthly payments shall be adjusted accordingly and all monies due the City, if any, for previous monthly payments for the combined second fiscal year shall be paid forthwith. Thereafter, monthly payments for the combined second fiscal year shall be made as set out above.

Within sixty (60) days after the end of the combined second fiscal year of the operation, the Operator will provide an accounting of gross receipts for the combined second fiscal year and reconcile the amount paid to the City for the combined second fiscal year with the amount due the City of the percentage of gross receipts under the revenue sharing plan. The City has the right to request documentation of the reconciliation and shall be provided with access to books and records of the Operator for review or audit if deemed necessary. If additional monies are due the City for the combined second fiscal year of operation, those monies shall be paid forthwith to the City but no later than sixty (60) days after the end of the combined second fiscal year. In the event, that the Operator submits documentation acceptable to the City that it has overpaid the City during the combined second fiscal year of the operation under the revenue sharing plan, the City will forthwith refund the overpayment to the Operator.

The final figure accepted by the City as the combined second fiscal year gross receipts shall be used to compute payments under the Agreement for the third fiscal year of operation if the option to renew the contract is exercised. That figure shall be divided by 12 to obtain the monthly payment amount for the combined third fiscal year of operation. Those payments shall continue to be due and payable to the City on the first (1st) day of each month and calculated as set out above. At the end of the combined third fiscal year, if there are additional extensions of the contract, or whenever the Agreement is terminated, the Operator will provide an accounting of gross year receipts for the combined third fiscal year or for the year to the date of termination of the Agreement, and reconcile the amount paid to the City with the amount due the City and the same terms and conditions as set out above for the combined first and second fiscal years of operation shall apply. If the Agreement is terminated after the third contract anniversary year,

the gross receipts shall be pro-rated based on the number of months between the end of the combined second fiscal year and the termination of the Agreement. If this Agreement is extended for any additional time periods, monthly payments due the City shall be computed in the same manner and on the same terms and conditions as set out above.

2. USE OF KITCHEN AND LIMITATIONS: The Operator shall provide a food/beverage service to all users of the Sanctuary Lake Golf Course. The Operator shall be the exclusive caterer of commercially prepared food/beverages served at the golf course. User groups that wish to have food/beverages catered for their events shall make arrangements, including payment, directly with the Food Service Operator. The Operator's services shall include preparation, delivery, and clean up of food and/ or beverages.

3. HOURS OF OPERATION: The operating schedule for the Sanctuary Lake Golf Course shall be as follows unless the designated City representative provides written amendments to the following schedule:

MINIMUM OPENING DATES AND TIMES

April 1st – April 25th:	Monday thru Sunday 7:30 am
April 26th – May 16th:	Monday thru Sunday 7:00 am
May 17th – June 6th:	Monday thru Sunday 6:30 am
June 7th – August 22nd:	Monday thru Friday 6:30 am Saturday & Sunday 6:00 am
August 23rd – September 5th:	Monday thru Sunday 6:30 am
September 6th – September 26th:	Monday thru Sunday 7:00 am
September 27th – November 15th:	Monday thru Sunday 7:30 am

Note: Opening dates and times are subject to change to meet user demand. A minimum of 72 hours notice will be given for all changes.

OPERATING TIMES FOR OUTSIDE GRILL AND BEVERAGE CART:

The Outside Grill and Beverage Cart are expected to be open and running daily. The outside grill is to be opened no later than 9:30 a.m. and close no earlier than 5:00 p.m. daily. Upon agreement with the Director of Golf, the schedule may be changed to due weather and/or special circumstances.

Vending machines will be placed and filled for operation during the normal golf season with the exception of any vending machines that are placed in the golf range area. The golf range vending machines will be maintained during the entire year.

4. MAINTENANCE OF PREMISES: The Operator shall maintain the interior of the kitchen/dining area, vending area(s), outside food service area, the service window, if applicable, and all adjacent areas in a clean and neat manner and in compliance with all City ordinances, State law and applicable health standards and regulations. The Operator shall

maintain the trash receptacles in all kitchen / dining areas. The Operator is responsible for cleaning all equipment and reporting any type of mechanical problem to the Parks and Recreation Department. The City has a contractor for the cleaning of all restrooms. However, the Operator shall be responsible for making sure that all restrooms which are located in the kitchen and grilling area only are kept in a clean and neat manner when the restroom cleaning contractor is not on site. This includes the picking up of all trash left on floors or counter-tops, restocking hand towels, toilet tissue, soap, and emptying any trash receptacles if needed. It will be the responsibility of the Operator to lock entrance and exit gates to the facility at the end of each day.

5. OPERATOR'S EMPLOYEES: The Operator shall provide appropriate uniforms and name badges for its employees and shall require that all employees maintain themselves and their uniforms in a clean and neat appearance. The Operator is responsible for all wages, benefits or any other condition of employment and acknowledges that its employees have no employment relationship with the City. The City shall have the right to mandate that the Operator terminate an employee for inappropriate behavior. All employees serving alcoholic beverages shall do so within the guidelines of the State of Michigan Liquor Laws and may be terminated due to violations of this law.

6. INSPECTION AND REPAIRS: The City shall have the right to enter and/or inspect the kitchen area at any reasonable time and make repairs and/or improvements, as it deems necessary. The City will pay the expense of periodic maintenance caused by normal wear and tear of the kitchen equipment. Any maintenance or repair to Operator equipment is the sole responsibility of the Operator. Other repairs will be done at the City's expense unless it is determined that the repair was necessary due to the misuse or negligence of the Operator, its employees and/or agents in which event the Operator shall be responsible for the costs of said repairs. The City will make every effort to notify the Operator in advance if non-City employees will be entering onto the premises at the City's request. Any additions, repairs and/or improvements made on the premises shall become the property of the City.

7. SERVING OF ALCOHOLIC BEVERAGES:

(i) The City shall require the Operator to obtain a liquor license for the premises known as Sanctuary Lake Golf Course under the Operator's name and keep the license in good standing during the term of the Agreement. Violation of the State of Michigan Liquor laws will be considered as a violation of the Agreement and may result in termination of the Agreement at the City's discretion. Employees serving alcoholic beverages shall do so in compliance with the State of Michigan Liquor laws and guidelines as set forth by the Michigan Liquor Control Commission. Serving violations by an employee will be just cause for termination of the Agreement at the City's discretion, and the Operator shall be deemed responsible if such conduct occurs. The Operator shall in no way jeopardize the liquor license obtained for the Sanctuary Lake Golf Course facility.

(ii) Both the City and the Operator acknowledge that a liquor license in the restaurant industry has a significant market value. Operator further acknowledges that if it desired to open a restaurant with liquor service in the private sector, it would have to secure a liquor license. The liquor license would have to be approved by a municipality, which might have a limited number of licenses or no licenses available; or the Operator might have to pay a substantial amount of money to purchase an existing liquor license from another liquor licensee. Operator understands that the City is not in the restaurant industry but desires to enhance the services available to the public at the City's Sanctuary Lake Golf Course, a municipal golf course, by

having food and beverage service on the premises. The Operator acknowledges that it is the City's responsibility to insure a smooth transition of any food or beverage service at the Sanctuary Lake Golf Course if the Operator's Agreement is not renewed or if it is terminated. Therefore, the City is willing to forgo payment by the Operator of the market value of the liquor license which the City has agreed to approve for issuance to the food service vendor of the Sanctuary Lake Golf Course as part of the award of the bid in this matter, but if and only if, the food service vendor, in this instance the Operator, transfers the liquor license acquired by the food service vendor, in this instance the Operator, for Sanctuary Lake Golf Course to the City or the City's approved vendor at the termination of the Agreement by either party for any cause and/or for non-renewal of the Agreement. The Operator understands that this paragraph is an essential term and condition of this Agreement that the liquor license acquired by the Operator remain with the premises known as Sanctuary Lake Golf Course. The Operator understands that, but for the Operator's agreement to the terms and conditions in this paragraph, that City Council would not have approved this Agreement. Therefore, the Operator shall transfer the liquor license acquired for the Sanctuary Lake Golf Course to the new food service vendor selected by the City Council or to the City upon termination for any cause or by any party of the Agreement or upon non-renewal of the Agreement.

(iii) Upon termination of this Agreement by either party or upon expiration and non-renewal of the Agreement, the Operator shall cooperate fully and professionally to insure the transfer of the liquor license to the new food service vendor or the City, at the City's discretion. The Operator acknowledges that failure to cooperate in the transfer of the liquor license as set out herein will result in severe money damages to the City, loss of the liquor license and loss of the market value of the liquor license by the City. In lieu of a denial by a court of specific performance under this Agreement for the transfer of the liquor license to the City or a new food service vendor approved by the City, the City shall be entitled to payment of the market value of the liquor license in the amount of \$100,000.00, representing a minimum market value of the liquor license.

(iv) Although the initial term of this Agreement is a one (1) year period commencing the date of food service operations at the Sanctuary Golf Course, the City agrees that if the Agreement is not renewed for at least an additional two (2) years, or two (2) one (1) year terms, or if the Operator is terminated by the City for reasons other than violation of the State of Michigan Liquor Law and guidelines as set forth by the Michigan Liquor Control Commission, the City will purchase and take possession of all non-food inventory including by way of example, but not limited to, dishes, small wares, silverware, glasses, serving pieces, equipment (including specialized golf cart), non Emerald Food Service signage, and the like. The cost for such purchases shall be the Operator's documented cost of acquisition for such items minus depreciation based on the rules and regulations published by the Internal Revenue Service Act 1986, as amended. The Operator shall also have the discretion to remove those items from the premises and not receive payment as set out herein. The City shall pay the costs of the non-food inventory as set out herein within sixty (60) days after receipt of documentation of Operator's cost.

Additionally, within the three year period as set out above, the City shall also pay to the Operator the documented cost associated with the acquisition of a liquor license for example, the application and processing fee. The City shall not be responsible for the potential market value of the liquor license, any unopened liquor or other items not directly related to the acquisition of a liquor license. The City shall pay the costs for the acquisition of the liquor license as set out herein within sixty (60) days after receipt of documentation of Operator's cost.

having food and beverage service on the premises. The Operator acknowledges that it is the City's responsibility to insure a smooth transition of any food or beverage service at the Sanctuary Lake Golf Course if the Operator's Agreement is not renewed or if it is terminated. Therefore, the City is willing to forgo payment by the Operator of the market value of the liquor license which the City has agreed to approve for issuance to the food service vendor of the Sanctuary Lake Golf Course as part of the award of the bid in this matter, but if and only if, the food service vendor, in this instance the Operator, transfers the liquor license acquired by the food service vendor, in this instance the Operator, for Sanctuary Lake Golf Course to the City or the City's approved vendor at the termination of the Agreement by either party for any cause and/or for non-renewal of the Agreement. The Operator understands that this paragraph is an essential term and condition of this Agreement that the liquor license acquired by the Operator remain with the premises known as Sanctuary Lake Golf Course. The Operator understands that, but for the Operator's agreement to the terms and conditions in this paragraph, that City Council would not have approved this Agreement. Therefore, the Operator shall transfer the liquor license acquired for the Sanctuary Lake Golf Course to the new food service vendor selected by the City Council or to the City upon termination for any cause or by any party of the Agreement or upon non-renewal of the Agreement.

(iii) Upon termination of this Agreement by either party or upon expiration and non-renewal of the Agreement, the Operator shall cooperate fully and professionally to insure the transfer of the liquor license to the new food service vendor or the City, at the City's discretion. The Operator acknowledges that failure to cooperate in the transfer of the liquor license as set out herein will result in severe money damages to the City, loss of the liquor license and loss of the market value of the liquor license by the City. In lieu of a denial by a court of specific performance under this Agreement for the transfer of the liquor license to the City or a new food service vendor approved by the City, the City shall be entitled to payment of the market value of the liquor license in the amount of \$100,000.00, representing a minimum market value of the liquor license.

(iv) Although the initial term of this Agreement is a one (1) year period commencing the date of food service operations at the Sanctuary Golf Course, the City agrees that if the Agreement is not renewed for at least an additional two (2) years, or two (2) one (1) year terms, or if the Operator is terminated by the City for reasons other than violation of the State of Michigan Liquor Law and guidelines as set forth by the Michigan Liquor Control Commission, the City will purchase and take possession of all non-food inventory including by way of example, but not limited to, dishes, small wares, silverware, glasses, serving pieces, equipment (including specialized golf cart), non Emerald Food Service signage, and the like. The cost for such purchases shall be the Operator's documented cost of acquisition for such items minus depreciation based on the rules and regulations published by the Internal Revenue Service Act 1986, as amended. The Operator shall also have the discretion to remove those items from the premises and not receive payment as set out herein. The City shall pay the costs of the non-food inventory as set out herein within sixty (60) days after receipt of documentation of Operator's cost.

Additionally, within the three year period as set out above, the City shall also pay to the Operator the documented cost associated with the acquisition of a liquor license for example, the application and processing fee. The City shall not be responsible for the potential market value of the liquor license, any unopened liquor or other items not directly related to the acquisition of a liquor license. The City shall pay the costs for the acquisition of the liquor license as set out herein within sixty (60) days after receipt of documentation of Operator's cost.

8. **ENTERTAINMENT:** There shall be no entertainment including, but not limited to, music, singers, dancing, videos, movies, DVD's, modeling, magicians, without approval of the Director of Parks and Recreation.

9. **KITCHEN SUPPLIES / EQUIPMENT AND MODIFICATION:** The Operator shall provide all necessary supplies and personnel to staff the operation of the kitchen/dining area(s), catering service for golf outings, and vending machines that are required and not on the *Kitchen Equipment* List attached to the Request for Proposal. Building and/or equipment modifications shall be approved in advance by the Director of Parks and Recreation or his or her designated representative and shall become the property of the City at the conclusion or upon termination by either party of this Agreement. Additionally, the designated City representative shall approve equipment brought into the facility by the Operator or at the request of the Operator in advance of delivery to the Sanctuary Lake Golf Course. Any modification or addition of equipment required by the Oakland County Health Department shall be the responsibility of the Operator.

10. **PRICES / PRICE AND HOUR CHANGES:** Products sold or marketed, the prices charged, and the operation schedules of the kitchen/dining area(s) are subject to regulation by the City and, once established, no changes shall be made without prior approval of the Director of Parks and Recreation or his/her designee. Prices will be re-evaluated at the conclusion of each year of the Agreement. Increases in prices shall be no greater than the percentage increase of the Consumer Price Index of Food Eaten Away from Home. Prices shall be posted for patrons and a detailed printed description of prices shall be available for review by the City.

11. **RECORDS:** The Operator shall keep accurate records of all sales and receipts through the use of computerized/electronic cash registers which provide daily tapes and reports. The City, prior to commencement of the Agreement, shall approve the cash registers that will be used for the operation of the food services described in this agreement. At the City's option, Operator shall make available for inspection by the City, or its designated representative or shall submit forthwith at City's request, a copy of its monthly Michigan Department of Treasury Sales Tax Return. An annual report, summarizing the monthly reports, shall be submitted to the City within sixty (60) days after the first anniversary date of the Agreement and each year thereafter that the Agreement is in effect. The City shall have the right to inspect the books, records, and inventories of the Operator at any reasonable time.

12. **ASSIGNMENT OF AGREEMENT / INDEPENDENT CONTRACTOR:** The Operator shall have no authority or power to assign, sublet and/or transfer any rights, privileges or interests under this Agreement without prior written consent from the City. The Operator acknowledges that it is an independent contractor with no authority to bind the City to any contracts or agreements, written or oral.

13. **COMPLIANCE WITH LAWS:** The Operator shall at all times be in compliance with all federal and state statutes and City ordinances and with all Oakland County Health Department licensing requirements, rules and regulations. The serving of alcoholic beverages will be in full compliance with State of Michigan Liquor Laws. The Operator will be responsible to obtain a State of Michigan Liquor License and keep it in force during the term of the contract. If the Operator receives liquor violations that jeopardize the facility's liquor license, the violations will be considered a breach of contract and, at the City's discretion, the contract may be terminated.

14. **INSURANCE:** The Operator shall maintain liability insurance for any actions, claims, liability or damages caused to persons and/or property arising out of the operation and/or maintenance of the food service, kitchen/dining area(s) and its catering operation for golf outings where food has been prepared in the Sanctuary Lake Golf Course food preparation area(s), in addition to liquor liability insurance, product liability insurance, and worker's compensation. All insurance coverage shall be approved by the City. Certificates of Insurance shall comply with the sample form attached to the Request for Proposal. The City shall be named as an additional insured under all policies except worker's compensation. All insurance companies must be licensed and admitted to do business in the State of Michigan. All insurance set out herein shall be maintained for the duration of the Agreement. Failure to maintain coverage or to continue to maintain coverage shall be considered a breach of contract with immediate termination of the Agreement at the will of the City. The Operator is responsible for any deductibles under its policies of insurance. The Operator agrees to indemnify and hold the City harmless for any claims, actions, liabilities or damages arising out of the operation, maintenance or management of the food service, kitchen/dining area(s), vending area(s), on-premises catering for golf outings where food has been prepared in the Sanctuary Lake Golf Course food preparation area(s).

15. **REPORTS OF CLAIMS:** Copies of all claims, damage, or accident reports received by the Operator, its employees and/or agents, whether submitted to an insurance company or not, relating to any damage or accident that occurred or is alleged to have occurred shall be sent to the City.

16. **PERSONAL PROPERTY TAXES:** The Operator shall be liable for any personal property taxes assessed against its equipment or inventory.

17. **UTILITY COSTS:** The City will pay utility costs.

18. **TERM OF AGREEMENT:** This Agreement shall terminate one (1) year after commencement of food service operations for Sanctuary Lake Golf Course unless cancelled by either party upon ninety (90) days written notice sent by certified mail as set out in Paragraph 19. Cancellation may be without cause by either party. If cancellation by the City is without cause or for failure to renew within the first 3 years of the Agreement as set out in Paragraph 7(iv), the additional terms of Paragraph 7(iv) shall apply. If the Community Center Café/Pro Shop Agreement is terminated but this Agreement is not (Food Service at Sanctuary Lake Golf Course), the revenue sharing plan set out in Paragraph 1 shall continue in effect without including the gross receipts for the Community Center Café/Pro Shop. At the end of the term of this Agreement, the City may at its option renew this Agreement within the parameters set forth for the Community Center Café / Pro Shop which includes any number of one (1) year periods under the same terms and conditions as set out in this Agreement if approved by City Council and if agreed to by the Operator. Renewal of this Agreement is not contingent on renewal of the Community Center Café/Pro Shop. As set out in the Community Center Café/Pro Shop Agreement, if this Agreement is cancelled or not renewed, the Community Center Café/Pro Shop Agreement may continue but under the same terms and conditions in effect prior to the existence of this Agreement or the Addendum to the Community Center Café/Pro Shop Agreement signed simultaneously with this Agreement.

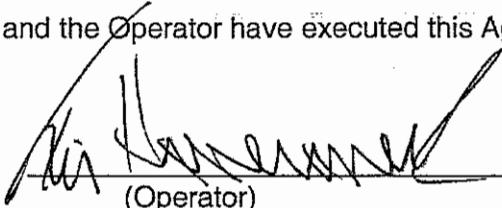
19. **NOTICE:** All written notices to be given under this Agreement shall be mailed by certified mail, return receipt requested, to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notice shall be deemed to have been received five days subsequent to mailing.

20. **SECTION HEADINGS.** All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

21. **ENTIRE AGREEMENT:** This Agreement incorporates by reference the Request for Proposal, General Specifications, Vendor's Questionnaire, and the Operator's Proposal as set out herein. These documents constitute the entire Agreement and any changes thereto shall be in writing signed by both the parties unless otherwise set out in the Agreement.

IN WITNESS WHEREOF, the City and the Operator have executed this Agreement.

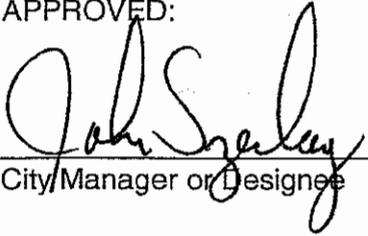
WITNESS:



(Operator)
President

(Title)

APPROVED:



City Manager or Designee

BY: *Louise E. Schilling*

(Mayor)

CITY OF TROY
(Owner)

RESOLUTION NUMER: #2004-04-186
2004-08-441
(Execution of agreement)

APPROVED AS TO FORM AND LEGALITY:

BY: *Liz Bell*
Lois Grigg Bluhm

City Attorney

ATTEST: *Debra L. Bartholomew*

(City Clerk)

WHEREAS, The City of Troy City Council recognizes President Bush's Executive Order 13223 of September 14, 2001, ordering the Ready Reserve of the Armed Forces to active duty, the declaration of a national emergency by reason of certain terrorist attacks at the World Trade Center, New York and the Pentagon, and the continuing threat to the United States; and

WHEREAS, The City of Troy City Council recognizes that certain employees of the City of Troy are employed as reservists in the Armed Services for the United States and wish to recognize that the call to active duty for any of its employees who are reservists could cause a financial hardship; and

WHEREAS, The City of Troy City Council, pursuant to the Uniform Services Employment and Reemployment Rights Act of 1994, has the authority to supplement benefits to their employees who may be called to active duty and wishes to do the same.

NOW, THEREFORE, BE IT RESOLVED:

1. That the City Manager is hereby authorized to provide any full-time employee of the City of Troy called to active duty as a reservist of the Armed Forces pursuant to the Executive Order 13223 of September 14, 2001, with additional pay and benefits, including, but not limited to:
 - a. Leave with pay for the purpose of allowing a regular employee to fulfill his/her active military reserve commitment and that the employee will be paid the difference between his/her regular salary and his/her pay from military active duty time. To receive such benefits, the employee must provide his/her leave and earning statements in order to compute the proper difference.
 - b. Insurance benefits, including health, disability, and life insurance, that the employee is receiving during his/her employment with the City of Troy that shall continue for such time as the employee is actually serving on active military duty based upon a forty-hour workweek.
 - c. That the additional benefits shall continue while Executive Order 13223 of September 14, 2001 is in effect or until the expiration of twelve (12) months from the date that the Letter of Understanding is entered into, whichever is sooner, unless mutually extended by the parties. That all benefits previously provided for military leave will otherwise be governed by the collective bargaining agreements between the City and the respective unions, except as otherwise modified herein.

Yes: All-5

Absent: Pallotta, Schilling

F-10 Award – Request for Proposal – Community Center Café/Pro Shop Operation

Resolution #2002-01-014

Moved by Kaszubski

Seconded by Lambert

RESOLVED, That a three (3) year contract to provide a café and pro shop operation in the Community center is hereby awarded to Emerald Food Service, at an incremental revenue sharing plan as detailed in Appendix A, based upon conditions listed in the Agreement for the

Community center Café/Pro Shop, copies of which shall be attached to the original Minutes of this meeting.

BE IT FURTHER RESOLVED, That the contract award is contingent upon contractor submission of properly executed agreement and proposal documents, including insurance certificates and all other specified requirements.

Yes: All-5

Absent: Pallotta, Schilling

COUNCIL COMMENTS/REFERRALS

Council adopted a resolution on July 9, 2001 indicating that proceeds from monies generated from the sale of surplus SOCRRA land in Rochester Hills be placed in escrow for a period no greater than six (6) months. This time frame expires on January 9, 2002 and Mayor Pryor has asked for an additional six (6)-month extension. As such, the following resolution is offered for your consideration:

Resolution #2002-01-015

Moved by Pryor

Seconded by Kaszubski

RESOLVED, That proceeds from the monies generated from the sale of surplus land by SOCRRA in Rochester Hills be placed in escrow for a period no greater than six (6) months.

Yes: All-5

Absent: Pallotta, Schilling

Resolution to Cancel Closed Session Scheduled for January 8, 2002 and Change Time for Study Session

Resolution #2002-01-016

Moved by Kaszubski

Seconded by Beltramini

RESOLVED, That due to the expected absence of Council Members Schilling and Pallotta at the January 8, 2002 Closed Session scheduled for 7:30 PM in Conference Room "C" of Troy City Hall, the Closed Session is hereby canceled; and

BE IT FURTHER RESOLVED, That the Study Session Scheduled for 8:30 PM on January 8, 2002 in the Lower Level Conference Room commence instead at 7:30 PM on January 8, 2002 in the Lower Level Conference Room.

Yes: All-5

Absent: Pallotta, Schilling

AGREEMENT
FOOD SERVICE AT SANCTUARY LAKE GOLF COURSE

THIS "AGREEMENT" entered into on _____, 2006, between the CITY OF TROY, 500 W. Big Beaver Road, Troy, Michigan 48084, hereinafter referred to as the "City", and Emerald Food Services I, L.L.C., a Michigan limited liability company, whose address is 1980 Greenfield, Berkley, Michigan 48072, hereafter known as the food service provider for Sanctuary Lake Golf Course, hereinafter referred to as the "Operator";

WITNESSETH:

In consideration of the City granting to the Operator the exclusive privilege and right of conducting the sale of food, beverages including alcoholic beverages, vending machines, and catering rights for golf outings at the Sanctuary Lake Golf Course, the parties agree as follows:

1. REVENUE SHARING PLAN: Simultaneously with this Agreement, the Operator and the City are entering into an Agreement for use of the kitchen at the Troy Community Center, catering rights and the rental of space at the Community Center. The Community Center Café/Pro Shop Agreement sets up a revenue sharing plan.

The parties to this Agreement (Food Service at Sanctuary Lake Golf Course Agreement) desire to use the same revenue sharing plan as set out in the Community Center Café/Pro Shop Agreement and, for computation purposes, the parties desire to combine the gross receipts for the food and beverage operation at both the Community Center Café/Pro Shop and Sanctuary Lake Golf Course, including all monies derived from the operation of the café/pro shop, catering service including off-premises catering where food was prepared in the Troy Community Center kitchen but excluding revenue from coffee/tea service at the Center for seniors from 8:00 a.m. to noon, the golf course grill room, the golf course outside food service area, catering for golf outings and sundry items at both locations less Michigan Sales Tax (6% as of the date of this Agreement). Vending machine sales shall be included as part of the

revenue sharing plan as set out in the Community Center Café/Pro Shop Agreement, Paragraph 3. A sixteen percent (16%) service fee in lieu of a gratuity may be added to catering for golf outings only. That 16% service fee shall be included in the gross receipts under this Agreement. In exchange, the Operator agrees to pay the City an incremental percentage of the combined yearly gross receipts of both facilities with a guaranteed minimum per year based on the revenue sharing plan as follows:

<u>Yearly Gross Receipts</u>	<u>% to City</u>
0 to \$200,000	\$10,000 guaranteed minimum (Minimum guaranteed per year)
\$200,001 to \$300,000	7
\$300,001 to \$600,000	10
\$600,001 per year or more	12

Within sixty (60) days after the end of each combined fiscal year (that is, the fiscal year for both the Troy Community Center Café/Pro Shop and the Sanctuary Lake Golf Course food service), the Operator will provide an accounting of gross receipts from that previous combined fiscal year with the amount due the City of the percentage of gross receipts under the revenue sharing plan. The City has the right to request documentation of the reconciliation and shall be provided with access to books and records of the Operator for review or audit, if deemed necessary. If additional monies are due the City for that previous combined fiscal year of operation, those monies shall be paid forthwith to the City but no later than sixty (60) days after the end of that previous combined fiscal year. In the event that the Operator submits documentation acceptable to the City that it has overpaid the City during that previous combined fiscal year of the operation under the revenue sharing plan, the City will refund the overpayment to the Operator.

The parties agree that the final figure accepted by the City as the previous combined fiscal year gross receipts shall be used to compute payments under the Agreement for the current fiscal year of operation if the option to renew the Agreement is exercised. That figure shall be divided by 12 to obtain the monthly payment amount for the current combined fiscal year of operation. Those payments shall continue to be due and payable to the City on the first (1st) of each month and calculated as set out above. At the end of each combined fiscal year that the Agreement is in effect by extensions of the Agreement, or whenever the Agreement is terminated, the Operator will provide an accounting of gross year receipts for the previous combined previous fiscal year, and/or for the current combined fiscal year to date if there is a termination of the Agreement prior to the end of a contract period, and reconcile the amount paid to the City with the amount due the City and the terms and conditions set out above for any money due to the City or any refund due to Operator shall apply.

2. SEPARATE AGREEMENTS: It is understood and agreed that a separate Agreement establishing terms and conditions between the City and Operator for food, catering and vending service at Troy Community Center Café/Pro Shop is being signed simultaneously with this Agreement. That Agreement for Sanctuary Lake Golf Course includes the revenue sharing plan as set out in Paragraph 1 of this Agreement. If the Agreement for the Community Center Café/Pro Shop is terminated or not extended but this Agreement is not terminated or is extended, the revenue sharing plan set out in Paragraph 1 shall continue in effect without including gross receipts from the Troy Community Center food, catering and/or vending service. Renewal or extension of this Agreement is not contingent on renewal or extension of the Agreement for the Community Center Café/Pro Shop Agreement.

3. USE OF KITCHEN AND LIMITATIONS: The Operator shall provide a food/beverage service to all users of the Sanctuary Lake Golf Course. The Operator shall be the exclusive caterer of commercially prepared food/beverages served at the golf course. User groups that

wish to have food/beverages catered for their events shall make arrangements, including payment, directly with the Food Service Operator. The Operator's services shall include preparation, delivery, and clean up of food and/ or beverages.

4. HOURS OF OPERATION: The operating schedule for the Sanctuary Lake Golf Course shall be as follows unless the designated City representative provides written amendments to the following schedule:

MINIMUM OPENING DATES AND TIMES

April 1st – April 25th:	Monday thru Sunday 7:30 am
April 26th – May 16th:	Monday thru Sunday 7:00 am
May 17th – June 6th:	Monday thru Sunday 6:30 am
June 7th – August 22nd:	Monday thru Friday 6:30 am Saturday & Sunday 6:00 am
August 23rd – September 5th:	Monday thru Sunday 6:30 am
September 6th – September 26th:	Monday thru Sunday 7:00 am
September 27th – November 15th:	Monday thru Sunday 7:30 am

Note: Opening dates and times are subject to change to meet user demand. A minimum of 72 hours notice will be given for all changes.

OPERATING TIMES FOR OUTSIDE GRILL AND BEVERAGE CART

The Outside Grill and Beverage Cart are expected to be open and running daily. The outside grill is to be opened no later than 9:30 a.m. and close no earlier than 5:00 p.m. daily. Upon agreement with the Director of Golf, the schedule may be changed to due weather and/or special circumstances.

Vending machines will be placed and filled for operation during the normal golf season with the exception of any vending machines that are placed in the golf range area. The golf range vending machines will be maintained during the entire year.

5. MAINTENANCE OF PREMISES: The Operator shall maintain the interior of the kitchen/dining area, vending area(s), outside food service area, the service window, if applicable, and all adjacent areas in a clean and neat manner and in compliance with all City ordinances, State law and applicable health standards and regulations. The Operator shall maintain the trash receptacles in all kitchen / dining areas. The Operator is responsible for cleaning all equipment and reporting any type of mechanical problem to the Parks and Recreation Department. The City has a contractor for the cleaning of all restrooms. However, the Operator shall be responsible for making sure that all restrooms which are located in the kitchen and grilling area only are kept in a clean and neat manner when the restroom cleaning contractor is not on site. This includes the picking up of all trash left on floors or counter-tops, restocking hand towels, toilet tissue, soap, and emptying any trash receptacles if needed. It will be the responsibility of the Operator to lock entrance and exit gates to the facility at the end of each day.

6. OPERATOR'S EMPLOYEES: The Operator shall provide appropriate uniforms and name badges for its employees and shall require that all employees maintain themselves and their uniforms in a clean and neat appearance. The Operator is responsible for all wages, benefits or any other condition of employment and acknowledges that its employees have no employment relationship with the City. The City shall have the right to mandate that the Operator terminate an employee for inappropriate behavior. All employees serving alcoholic beverages shall do so within the guidelines of the State of Michigan Liquor Laws and may be terminated due to violations of this law.

7. INSPECTION AND REPAIRS: The City shall have the right to enter and/or inspect the kitchen area at any reasonable time and make repairs and/or improvements, as it deems necessary. The City will pay the expense of periodic maintenance caused by normal wear and tear of the kitchen equipment. Any maintenance or repair to Operator equipment is the sole responsibility of the Operator. Other repairs will be done at the City's expense unless it is determined that the repair was necessary due to the misuse or negligence of the Operator, its employees and/or agents in which event the Operator shall be responsible for the costs of said repairs. The City will make every effort to notify the Operator in advance if non-City employees will be entering onto the premises at the City's request. Any additions, repairs and/or improvements made on the premises shall become the property of the City.

8. SERVING OF ALCOHOLIC BEVERAGES:

(A) The City shall require the Operator to maintain its liquor license for the premises known as Sanctuary Lake Golf Course under the Operator's name and keep the license in good standing during the term of the Agreement. Violation of the State of Michigan Liquor laws will be considered as a violation of the Agreement and may result in termination of the Agreement at the City's discretion. Employees serving alcoholic beverages shall do so in compliance with the State of Michigan Liquor laws and guidelines as set forth by the Michigan Liquor Control Commission. Serving violations by an employee will be just cause for termination of the Agreement at the City's discretion, and the Operator shall be deemed responsible if such conduct occurs. The Operator shall in no way jeopardize the liquor license obtained for the Sanctuary Lake Golf Course facility.

(B) The City grants to the Operator the possession and control of the Sanctuary Lake Golf Course, which includes the Outside Grill, for the limited purpose of controlling and monitoring

the consumption of alcohol on the premises, including the collection of money for alcoholic beverages. The City reserves to itself the exclusive right to operate the golf business at Sanctuary Lake Golf Course, including the collection of all fees related to playing of golf and the operation of a pro shop.

(C) The Operator agrees to assume the responsibilities of a liquor licensee at Sanctuary Lake Golf Course, and agrees to be responsible for all sanctions and/or penalties assessed for alleged violations of the Michigan Liquor Control Commission's Administrative Rules and Regulations and/or federal, state, or local laws concerning the sale of alcohol at Sanctuary Lake Golf Course. This includes the assumption of a licensee's responsibility for the actions of the Operator's employees, agents and/or representatives who sell alcohol.

(D) The Operator agrees that there shall be no sales of alcohol on the Sanctuary Lake Golf Course proper, but that the Operator, if licensed to do so by the Michigan Liquor Control Commission, may sell up to two beers per golfer at the Club House or the Outside Grill, which the golfer can then take onto the golf course for consumption.

(E) The City agrees to provide the Operator with a motorized golf cart, at no charge, for operation by the Operator's employees on the Sanctuary Lake Golf Course, in order to facilitate monitoring of alcohol consumption. The Operator agrees to coordinate its operation of the golf cart with the City's Director of Golf Operations, and understands and agrees that the City may provide back up security to monitor alcohol consumption on the Sanctuary Lake Golf Course.

(F) The Operator recognizes and agrees that the operation and control of normal golf activities lies exclusively with the City, except as otherwise provided in this Agreement.

(G) The Operator agrees to indemnify and hold the City harmless from any and all claims arising out of the sale of alcoholic beverages by the Operator, its employees, its agents and/or its representatives which occurred on City property.

(H) Both the City and the Operator acknowledge that a liquor license in the restaurant industry has a significant market value. Operator further acknowledges that if it desired to open a restaurant with liquor service in the private sector, it would have to secure a liquor license. The liquor license would have to be approved by a municipality, which might have a limited number of licenses or no licenses available; or the Operator might have to pay a substantial amount of money to purchase an existing liquor license from another liquor licensee. Operator understands that the City is not in the restaurant industry but desires to enhance the services available to the public at the City's Sanctuary Lake Golf Course, a municipal golf course, by having food and beverage service on the premises. The Operator acknowledges that it is the City's responsibility to insure a smooth transition of any food or beverage service at the Sanctuary Lake Golf Course if the Operator's Agreement is not renewed or if it is terminated. Therefore, the City is willing to forgo payment by the Operator of the market value of the liquor license which the City has agreed to approve for issuance to the food service vendor of the Sanctuary Lake Golf Course as part of the award of the bid in this matter, but if and only if, the food service vendor, in this instance the Operator, transfers the liquor license acquired by the food service vendor, in this instance the Operator, for Sanctuary Lake Golf Course to the City or the City's approved vendor at the termination of the Agreement by either party for any cause and/or for non-renewal of the Agreement. The Operator understands that this paragraph is an essential term and condition of this Agreement that the liquor license acquired by the Operator shall remain with the premises known as Sanctuary Lake Golf Course. The Operator understands that, but for the Operator's agreement to the terms and conditions in this

paragraph, that City Council would not have approved this Agreement. Therefore, the Operator shall transfer the liquor license acquired for the Sanctuary Lake Golf Course to the new food service vendor selected by the City Council or to the City upon termination for any cause or by any party of the Agreement or upon non-renewal of the Agreement.

(I) Upon termination of this Agreement by either party or upon expiration and non-renewal of the Agreement, the Operator shall cooperate fully and professionally to insure the transfer of the liquor license to the new food service vendor or the City, at the City's discretion. The Operator acknowledges that failure to cooperate in the transfer of the liquor license as set out herein will result in severe money damages to the City, loss of the liquor license and loss of the market value of the liquor license by the City. In lieu of a denial by a court of specific performance under this Agreement for the transfer of the liquor license to the City or a new food service vendor approved by the City, the City shall be entitled to payment of the market value of the liquor license in the amount of \$100,000.00, representing a minimum market value of the liquor license.

(J) Although the term of this Agreement is a two (2) year period commencing on May 1, 2006, the City agrees that if this Agreement is terminated prior to April 30, 2008 by the City for reasons other than violation of the State of Michigan Liquor Law and guidelines as set forth by the Michigan Liquor Control Commission, the City will purchase and take possession of all non-food inventory including by way of example, but not limited to, dishes, small wares, silverware, glasses, serving pieces, equipment (including any specialized golf carts), non Emerald Food Service signage, and the like. The cost for such purchases shall be the Operator's documented cost of acquisition for such items minus depreciation based on the rules and regulations published by the Internal Revenue Service Act 1986, as amended. The Operator shall also have the discretion to remove those items from the premises and not receive payment as set out

herein. The City shall pay the costs of the non-food inventory as set out herein within sixty (60) days after receipt of documentation of Operator's cost.

(K) Additionally, within the period and under the conditions as set out in the above paragraph, the City shall also pay to the Operator the documented cost associated with the acquisition of a liquor license for example, the application and processing fee. The City shall not be responsible for the potential market value of the liquor license, any unopened liquor or other items not directly related to the acquisition of a liquor license. The City shall pay the costs for the acquisition of the liquor license as set out herein within sixty (60) days after receipt of documentation of Operator's cost.

9. ENTERTAINMENT: There shall be no entertainment including, but not limited to, music, singers, dancing, videos, movies, DVD's, modeling, magicians, without approval of the Director of Parks and Recreation.

10. KITCHEN SUPPLIES / EQUIPMENT AND MODIFICATION: The Operator shall provide all necessary supplies and personnel to staff the operation of the kitchen/dining area(s), catering service for golf outings, and vending machines that are required and not on the ***Kitchen Equipment*** List attached to the Request for Proposal. Building and/or equipment modifications shall be approved in advance by the Director of Parks and Recreation or his or her designated representative and shall become the property of the City at the conclusion or upon termination by either party of this Agreement. Additionally, the designated City representative shall approve equipment brought into the facility by the Operator or at the request of the Operator in advance of delivery to the Sanctuary Lake Golf Course. Any modification or addition of equipment required by the Oakland County Health Department shall be the responsibility of the Operator.

11. PRICES / PRICE AND HOUR CHANGES: Products sold or marketed, the prices charged, and the operation schedules of the kitchen/dining area(s) are subject to regulation by the City and, once established, no changes shall be made without prior approval of the Director of Parks and Recreation or his/her designee. Prices will be re-evaluated at the conclusion of each year of the Agreement. Increases in prices shall be no greater than the percentage increase of the Consumer Price Index of Food Eaten Away from Home. Prices shall be posted for patrons and a detailed printed description of prices shall be available for review by the City.

12. RECORDS: The Operator shall keep accurate records of all sales and receipts through the use of computerized/electronic cash registers which provide daily tapes and reports. The City, prior to commencement of the Agreement, shall approve the cash registers that will be used for the operation of the food services described in this agreement. At the City's option, Operator shall make available for inspection by the City, or its designated representative or shall submit forthwith at City's request, a copy of its monthly Michigan Department of Treasury Sales Tax Return. An annual report, summarizing the monthly reports, shall be submitted to the City within sixty (60) days after the first anniversary date of the Agreement and each year thereafter that the Agreement is in effect. The City shall have the right to inspect the books, records, and inventories of the Operator at any reasonable time.

13. ASSIGNMENT OF AGREEMENT / INDEPENDENT CONTRACTOR: The Operator shall have no authority or power to assign, sublet and/or transfer any rights, privileges or interests under this Agreement without prior written consent from the City. The Operator acknowledges that it is an independent contractor with no authority to bind the City to any contracts or agreements, written or oral.

14. COMPLIANCE WITH LAWS: The Operator shall at all times be in compliance with all federal and state statutes and City ordinances and with all Oakland County Health Department licensing requirements, rules and regulations. The serving of alcoholic beverages will be in full compliance with State of Michigan Liquor Laws. The Operator will be responsible to obtain a State of Michigan Liquor License and keep it in force during the term of the contract. If the Operator receives liquor violations that jeopardize the facility's liquor license, the violations will be considered a breach of contract and, at the City's discretion, the contract may be terminated.

15. INSURANCE: The Operator shall maintain liability insurance for any actions, claims, liability or damages caused to persons and/or property arising out of the operation and/or maintenance of the food service, kitchen/dining area(s) and its catering operation for golf outings where food has been prepared in the Sanctuary Lake Golf Course food preparation area(s), in addition to liquor liability insurance, product liability insurance, and worker's compensation. All insurance coverage shall be approved by the City. Certificates of Insurance shall comply with the sample form attached to the Request for Proposal. The City shall be named as an additional insured under all policies except worker's compensation. All insurance companies must be licensed and admitted to do business in the State of Michigan. All insurance set out herein shall be maintained for the duration of the Agreement. Failure to maintain coverage or to continue to maintain coverage shall be considered a breach of contract with immediate termination of the Agreement at the will of the City. The Operator is responsible for any deductibles under its policies of insurance. The Operator agrees to indemnify and hold the City harmless for any claims, actions, liabilities or damages arising out of the operation, maintenance or management of the food service, kitchen/dining area(s), vending area(s), on-premises catering for golf outings where food has been prepared in the Sanctuary Lake Golf Course food preparation area(s).

16. REPORTS OF CLAIMS: Copies of all claims, damage, or accident reports received by the Operator, its employees and/or agents, whether submitted to an insurance company or not, relating to any damage or accident that occurred or is alleged to have occurred shall be sent to the City.

17. PERSONAL PROPERTY TAXES: The Operator shall be liable for any personal property taxes assessed against its equipment or inventory.

18. UTILITY COSTS: The City will pay utility costs.

19. TERM OF AGREEMENT: The effective date of this Agreement is May 1, 2006 and shall terminate two (2) years from that date or on April 30, 2008 unless cancelled by either party upon ninety (90) days written notice sent by certified mail as set out in Paragraph 20. Cancellation may be without cause by either party. If cancellation by the City is without cause prior to April 30, 2008, the additional terms of Paragraphs 8(J) and 8(K) shall apply. At the end of the term of this Agreement, the City may at its option renew this Agreement for any number of two (2) year periods under the same terms and conditions as set out in this Agreement if approved by City Council and if agreed to by the Operator.

20. NOTICE: All written notices to be given under this Agreement shall be mailed by certified mail, return receipt requested, to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notice shall be deemed to have been received five days subsequent to mailing.

21. SECTION HEADINGS. All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

22. ENTIRE AGREEMENT: This Agreement incorporates by reference the Request for Proposal, General Specifications, Vendor’s Questionnaire, and the Operator’s Proposal as set out herein. These documents constitute the entire Agreement and any changes thereto shall be in writing signed by both the parties unless otherwise set out in the Agreement.

IN WITNESS WHEREOF, the City and the Operator have executed this Agreement.

EMERALD FOOD SERVICES I, L.L.C.

CITY OF TROY,

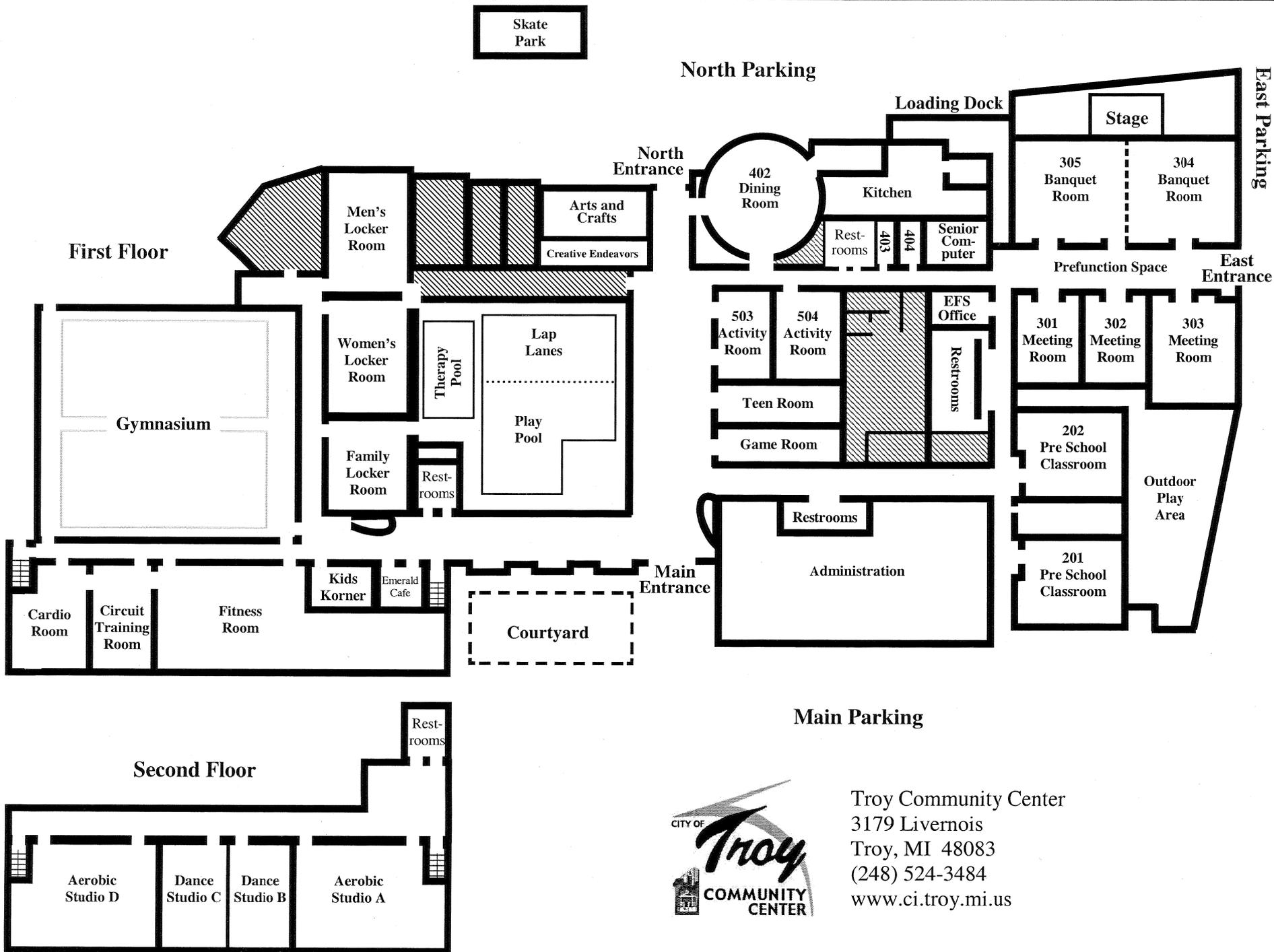
By: Kim Haveranek
Member

By: Louise E. Schilling, Mayor

By: Tonni Bartholomew, City Clerk

Dated:_____

Town Center Drive



Livernois



Troy Community Center
 3179 Livernois
 Troy, MI 48083
 (248) 524-3484
www.ci.troy.mi.us

AGREEMENT FOR THE COMMUNITY CENTER CAFÉ/PRO SHOP

THIS AGREEMENT entered into on _____, 2006, between the CITY OF TROY, 500 W. Big Beaver Road, Troy, Michigan 48084, hereinafter referred to as the “City”, and EMERALD FOOD SERVICES I, L.L.C., a Michigan limited liability company, whose address is 1980 Greenfield Road, Berkley, Michigan 48072, as the Café/Pro Shop Operator, hereinafter referred to as the “Operator”;

WITNESSETH:

In consideration of the City granting to the Operator the exclusive privilege and right of conducting the sale of food, beverages, and other sundry pro shop related articles, including catering rights but excluding those times when Operator is preempted as set out in Paragraph 8, in the Troy Community Center, 3179 Livernois, Troy, Michigan 48083, the Operator agrees as follows:

1. REVENUE SHARING PLAN: Simultaneously with this Agreement, the Operator and the City are entering into an Agreement for Food Service at Sanctuary Lake Golf Course. The parties to this Agreement (Agreement for the Community Center Café/Pro Shop) desire to use the same revenue sharing plan as set out in the Agreement for Food Service at Sanctuary Lake Golf Course and, for computation purposes, the parties desire to combine the gross receipts for the food and beverage operation at both the Community Center Café/Pro Shop and Sanctuary Lake Golf Course, including all monies derived from the operation of the café/pro shop, catering service including off-premises catering where food was prepared in the Troy Community Center kitchen but excluding

revenue from coffee/tea service at the Community Center for seniors from 8:00 a.m. to noon, the golf course grill room, the golf course outside food service area, catering for golf outings and sundry items at both locations less Michigan Sales Tax (6% as of the date of this Agreement). Vending machine sales at the Troy Community Center only shall be included as part of the revenue sharing plan as set out in Paragraph 3. In exchange, the Operator agrees to pay the City an incremental percentage of the combined yearly gross receipts of both facilities with a guaranteed minimum per year based on the revenue sharing plan as follows:

<u>Yearly Gross Receipts</u>	<u>% to City</u>
0 to \$200,000	\$10,000 guaranteed minimum (Minimum guaranteed per year)
\$200,001 to \$300,000	7
\$300,001 to \$600,000	10
\$600,001 per year or more	12

Within sixty (60) days after the end of each combined fiscal year (that is, the fiscal year for both the Troy Community Center Café/Pro Shop and the Sanctuary Lake Golf Course food service), the Operator will provide an accounting of gross receipts from that previous combined fiscal year with the amount due the City of the percentage of gross receipts under the revenue sharing plan. The City has the right to request documentation of the reconciliation and shall be provided with access to books and records of the Operator for review or audit, if deemed necessary. In addition monies are due the City for that previous combined fiscal year of operation, those monies shall be paid forthwith to the City but no later than sixty (60) days after the end of that

previous combined fiscal year. In the event that the Operator submits documentation acceptable to the City that it has overpaid the City during that previous combined fiscal year of the operation under the revenue sharing plan, the City will refund the overpayment to the Operator.

The parties agree that the final figure accepted by the City as the previous combined fiscal year gross receipts shall be used to compute payments under the Agreement for the current fiscal year of operation if the option to renew the Agreement is exercised. That figure shall be divided by 12 to obtain the monthly payment amount for the current combined fiscal year of operation. Those payments shall continue to be due and payable to the City on the first (1st) of each month and calculated as set out above. At the end of each combined fiscal year that the Agreement is in effect by extensions of the Agreement, or whenever the Agreement is terminated, the Operator will provide an accounting of gross year receipts for the previous combined previous fiscal year, and/or for the current combined fiscal year to date if there is a termination of the Agreement prior to the end of a contract period, and reconcile the amount paid to the City with the amount due the City and the terms and conditions set out above for any money due to the City or any refund due to Operator shall apply.

2. SEPARATE AGREEMENTS: It is understood and agreed that a separate Agreement establishing terms and conditions between the City and Operator for food service at Sanctuary Lake Golf Course is being signed simultaneously with this Agreement. That Agreement for Sanctuary Lake Golf Course includes the revenue sharing plan as set out in Paragraph 1 of this Agreement. If the

Agreement for Food Service at Sanctuary Lake Golf Course is terminated or not extended but this Agreement is not terminated or is extended, the revenue sharing plan set out in Paragraph 1 shall continue in effect without including gross receipts from Sanctuary Lake Golf Course. Renewal or extension of this Agreement is not contingent on renewal or extension of the Sanctuary Lake Golf Course Agreement.

3. VENDING MACHINES: The Operator shall have the exclusive right to contract with a vendor to provide for vending machine service at the City of Troy Community Center. The Operator shall in no way represent to any persons, corporations or any other entity that they are acting as an agent of the City of Troy or have the authority to bind the city to any contracts. No vending machine shall contain cigarettes, tobacco products or alcoholic beverages but rather shall contain food and non-alcoholic beverage items only. The Director of Parks and Recreation or his or her designee shall approve the vending machine items and prices. Gross receipts from vending machines sales shall be included as part of the revenue sharing plan set out in Paragraph 1. Those gross receipts shall be that percentage of revenue paid to the Operator under its contract with the vending machine vendor. Those gross receipts shall be added into total gross receipts per year and paid to the City as provided in Paragraph 1.

The City shall have the right to verbally request a copy of the signed agreement or any amendments, supplements or subsequent agreements between the Operator and the vending machine vendor or vendors and the Operator shall provide the same within ten (10) days of the request.

4. LOCATION OF VENDING MACHINES: The Director of Parks and Recreation, or his or her designee, shall have the sole discretion to determine where the vending machines are placed in the Community Center and how many vending machines shall be on the premises at any one time. Once the initial determination is made regarding the location and number of vending machines, the Director of Parks and Recreation shall give thirty (30) days written notice of any change to the location and number of vending machines.

5. OPERATIONAL HOURS OF VENDING MACHINES: All vending machines shall be accessible to the public when the Café/Pro Shop is closed to the public.

6. MAINTENANCE OF PREMISES AND REPAIR OF VENDING MACHINES:

The Operator is responsible for the cleaning, maintenance and repair of the vending machines and all costs associated with the cleaning, maintenance and repair of the vending machines. The Operator shall make a good faith effort to see that the vending machines are fully operational at the times set out in Paragraph 5. If the City notifies the Operator of the need for cleaning, maintenance or repair of any vending machine and the Operator fails to correct the problem within three (3) days, the City may take reasonable action to correct the problem. Any costs incurred by the City for the cleaning, maintenance or repair of the vending machines will be the responsibility of the Operator. Invoices submitted to the Operator by the City for reimbursement of said costs shall be paid within fifteen (15) days.

7. USE OF KITCHEN AND LIMITATIONS: The Operator shall provide a food/beverage service to all users of the Troy Community Center. The Operator

shall provide coffee/tea service in the Dining Room for seniors from 8:00 a.m. to noon at a maximum price of \$.30/cup.

The Operator shall be the exclusive caterer of commercially prepared food/beverage served in the following rooms of the Troy Community Center: 301,302,303, 304,305 AND 402. Another caterer may be used if the Operator is first consulted and acknowledges that it cannot provide the food requested by a group. User groups that wish to have food/beverages catered for their meetings shall make arrangements, including payment, directly with the Operator.

The Operator's services shall include preparation, delivery and clean-up of food/beverages.

The Operator shall not have the exclusive catering rights to serve pre-packaged food/beverage and items prepared from scratch at home for meetings and events in rooms not set out in this Paragraph. User groups will be permitted to bring snacks and food made from scratch at home but not meals to serve its members.

The Operator shall provide complimentary dinner and beverages for 100 persons from the catering menu for one (1) Parks and Recreation Department program each year of the Agreement (for example, the Friday Frolic or Senior Dance). Said event will be chosen at the discretion of the City.

8. PREEMPTION OF USE OF KITCHEN: The Operator shall have exclusive use of the kitchen except if preempted by the Troy Parks and Recreation Department for special programs and events. The City will make every effort to notify the Operator of those programs and events as soon as possible before each event.

The Operator, who at the effective date of this Agreement, is also the provider of senior lunches for the Senior Citizen Nutrition Program in Troy, acknowledges that, if in the future, the Operator is no longer providing senior lunches under that program that the contractor for the Senior Citizens Nutrition Program will preempt the Operator for use of the kitchen during the times it is necessary to prepare senior lunches for that program, generally, Monday through Friday from 6:00 a.m. to 2:00 p.m. Operator will not be allowed any use of the kitchen during those times it is preempted as set out herein.

9. HOURS OF OPERATION: The operating schedule for the Café/Pro Shop, unless preempted as set out in Paragraph 8, shall be as follows:

- A. Monday to Friday: 7:00 a.m. to 1:30 p.m. and 5:00 p.m. to 8:00 p.m.
- B. Saturday and Sunday: 9:00 a.m. to 3:00 p.m.
- C. The schedule may change to meet user demand as agreed to by the parties.

10. MAINTENANCE OF PREMISES: The Operator shall maintain the interior of the kitchen/dining area (except the dining area floor), the service window, if applicable, and all adjacent areas in a clean and neat manner and in compliance with all City ordinances, State law and applicable health standards and regulations. The Operator shall maintain the trash receptacles in the kitchen/dining area. The Operator is responsible for cleaning all equipment and reporting any type of mechanical problem to the Parks and Recreation Department.

11. OPERATOR'S EMPLOYEES: The Operator shall provide appropriate uniforms and name badges for its employees and shall require that all employees maintain themselves and their uniforms in a clean and neat appearance. The Operator is responsible for all wages, benefits or any other condition of employment and acknowledges that its employees have no employment relationship with the City. The City shall have the right to mandate that the Operator terminate an employee for inappropriate behavior. The Operator shall have three (3) days from the date that is first has information that the City has requested that an employee be terminated, to file a written request for an informal meeting with the Department of Parks and Recreation. That request shall set out the reason for the Operator's objection to the City's request to terminate the employee and the Operator's proposal as to what action, if any, should be taken against the employee. The City and the Operator shall meet informally as soon as possible at a mutually convenient date and make a good faith effort to resolve their differences. If an agreement regarding the employee cannot be reached, the Operator shall terminate the employee.

12. INSPECTIONS AND REPAIRS: The City shall have the right to enter and/or inspect the kitchen area at any reasonable time and make repairs and/or improvements as it deems necessary. The expense of periodic maintenance caused by normal wear and tear of the kitchen equipment will be paid by the City. Other repairs will be done at the City's expense unless it is determined that the repair was necessary due to the misuse or negligence of the Operator, its employees and/or agents in which event the Operator shall be responsible for the

costs of said repair. The City will make every effort to notify the Operator in advance if non-City employees will be entering onto the premises at the City's request. Any additions, repairs and/or improvements made on the premises shall become property of the City.

13. NO INTOXICATING LIQUOR: The Operator, its employees and/or agents shall not sell intoxicating liquor or permit and/or knowingly allow intoxicating liquor to be consumed in the kitchen/dining area or in any part of the Community Center where it is catering. The Operator shall be deemed responsible if such conduct occurs. The Operator shall not sell or provide intoxicating liquor for off-premises catering where food has been prepared in the Troy Community Center kitchen.

14. KITCHEN SUPPLIES/EQUIPMENT AND MODIFICATIONS: The Operator shall provide all necessary small cooking utensils and disposable supplies and personnel to staff the operation of the kitchen/dining area and the catering service. Building and/or equipment modifications shall be approved in advance by the City and shall become the property of the City at the conclusion or upon termination by either party of this Agreement. Additionally, the City shall approve equipment brought into the facility by the Operator or at the request of the Operator in advance of delivery to the Community Center.

15. PRICES/PRICE AND HOURS CHANGES: Products sold or marketed, the prices charged and the operation schedules of the kitchen/dining area are subject to regulation by the City and , once established, no changes shall be made without prior approval of the Director of Parks and Recreation or his/her

designee. Prices will be re-evaluated at the conclusion of each year of the Agreement. Increases in prices shall be no greater than the percentage increase of the Consumer Price Index of Food Eaten Away from Home. Prices shall be posted for patrons and a detailed printed description of prices shall be available for review by the City.

16. RECORDS: The Operator shall keep accurate records of all sales and receipts through the use of computerized/electronic cash registers which provide daily tapes and reports. Those cash registers shall be approved by the City prior to commencement of the Agreement. The Operator shall submit a copy of its monthly Michigan Department of Treasury Sales Tax Return by the 20th date of the month following the month for which the Return was filed. An annual report, summarizing the monthly reports, shall be submitted to the City within sixty (60) days after the first anniversary date of the Agreement and each year thereafter that the Agreement is in effect. The City shall have the right to inspect the books, records and inventories of the Operator at any reasonable time.

17. RENTAL OF ADDITIONAL SPACE: In addition to the terms and conditions of this Agreement, the Operator shall be entitled to the use of an additional 464 square feet of space within the Troy Community Center as shown on the attached Exhibit A for a rental payment of \$6,960.00 per year or \$580.00 per month (\$15.00 per square foot). By the first (1st) day of each month, the Operator shall pay rent of \$580.00 per month for this space. This space is to be used only for office and for business relating to the operation of the Troy Community Center and/or Sanctuary Lake Golf Course food service. This

provision for rental of space runs with this Agreement only and shall become null and void at the expiration of the Agreement or at the termination for any reason and the space shall be vacated within ten (10) days of the either of those occurrences.

- A. Equipment and Building Modifications: The Operator shall provide all necessary equipment, supplies and building modifications for the space. Building modifications and additions, including but not limited to fixtures, a door, carpeting, electrical outlets and voice/data connections must be approved by the City in advance and shall become the property of the City at the expiration or termination of this Agreement. The costs associated with building modifications that are necessary to make the space a viable office shall be the responsibility of the Operator. Equipment brought into the space must also be approved in advance by the City.
- B. Maintenance: The Operator shall maintain the interior of the space in a clean and neat manner and in compliance with all City ordinances and State law. This includes, but is not limited to, the removal of trash to the proper containers.
- C. Hours of Availability: The Operator acknowledges that the rental space shall only be available during the hours of operation of the Troy Community Center. The Operator also waives any claim or cause of action regarding the non-availability of the space as set out herein or for emergency periods when, due to weather electrical power outages,

or acts of nature, the Troy Community Center remains closed for operation.

18. ASSIGNMENT OF AGREEMENT/INDEPENDENT CONTRACTOR: The Operator shall have no authority or power to assign, sublet and/or transfer any rights, privileges or interests under this Agreement without prior written consent from the City. The Operator acknowledges that it is an independent contractor with no authority to bind the City to any contracts or agreements, written or oral.

19. COMPLIANCE WITH LAWS: The Operator shall at all times be in compliance with all federal and state statutes and the City ordinances and with all Oakland County Health Department licensing requirements, rules and regulations.

20. INSURANCE: The Operator shall maintain liability insurance in the amount of three million (\$3,000,000.00) dollars for any actions, claims, liability or damages caused to persons and/or property arising out of the operation and/or maintenance of the food service, kitchen/dining area and its catering operation both on-premises and off-premises where food has been prepared in the Troy Community Center kitchen, in addition to product liability insurance and worker's compensation. All insurance coverage shall be approved by the City. Certificates of Insurance shall comply with the sample form attached to the Request for Proposal. The City shall be named as an additional insured under all policies except worker's compensation. All insurance companies must be licensed and admitted to do business in the State of Michigan. All insurance set out herein shall be maintained for the duration of the Agreement. Failure to

maintain coverage or to continue to maintain coverage shall be considered a breach of contract with immediate termination of the Agreement at the will of the City. The Operator is responsible for any deductibles under its policies of insurance.

21. INDEMNIFY/HOLD HARMLESS: The Operator agrees to indemnify and hold the City harmless for any claims, actions, liabilities or damages arising out of the operation, maintenance or management of the food service, kitchen/dining area, on-premises catering and off-premises catering where food has been prepared in the Troy Community Center kitchen.

22. REPORTS OF CLAIMS: Copies of all claims, damage or accident reports received by the Operator, its employees and/or its agents, whether submitted to an insurance company or not, relating to any damage or accident that occurred or is alleged to have occurred shall be sent to the City.

23. PERSONAL PROPERTY TAXES: The Operator shall be liable for any personal property taxes assessed against its equipment or inventory.

24. UTILITY COSTS: The City will pay utility costs.

25. TERM OF AGREEMENT: The effective date of this Agreement is May 1, 2006 and shall terminate two (2) years from that date or on April 30, 2008 unless cancelled by either party upon ninety (90) days written notice sent by certified mail as set out in Paragraph 26. Cancellation may be without cause by either party. At the end of the term of this Agreement, the City may at its option renew this Agreement for any number of two (2) year periods under the same terms and

conditions as set out in this Agreement if approved by City Council and if agreed to by the Operator.

26. NOTICE: All written notices to be given under this Agreement shall be mailed by certified mail, return receipt requested, to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notice shall be deemed to have been received five days subsequent to mailing.

27. SECTION HEADINGS: All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provisions of this Agreement.

28. SEVERABILITY: If any provision of this Agreement or the application of such provision to any person, entity or circumstance shall be held invalid, the remainder of this Agreement, or the application of such provision to persons, entities or circumstances, other than those as to which it is held invalid, shall not be affected.

29. ENTIRE AGREEMENT: This Agreement incorporates by reference the Request for Proposal and the Operator's Proposal as thought fully set out herein. These documents constitute the entire Agreement and any changes thereto shall be in writing signed by both parties unless otherwise set out in this Agreement.

IN WITNESS WHEREOF, the City and the Operator have executed this Agreement.

EMERALD FOOD SERVICES I, L.L.C.

CITY OF TROY,

Kim Haveranek
Member

By: Louise E. Schilling, Mayor

Dated:_____

By: Tonni Bartholomew, City Clerk