

**FOOD SERVICE & LEASE AGREEMENT  
BETWEEN THE CITY OF RIVERSIDE AND  
PROVIDER CONTRACT FOODSERVICE, LLC**

(City Hall – First Floor Café)

This Agreement is made and entered into this 26th day of June 2006 by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation, hereinafter referred to as the "City", and PROVIDER CONTRACT FOODSERVICE, LLC, a California limited liability corporation, hereinafter referred to as the "Company".

R E C I T A L S

A. The CITY OF RIVERSIDE is a government entity and owner of the City Hall facility located at 3900 Main Street, Riverside, California 92522.

B. PROVIDER CONTRACT FOODSERVICE, LLC is a food service Company capable of providing food service to all people utilizing the restaurant of the City.

C. The City desires to engage the Company to design and institute a bistro style restaurant (hereinafter referred to as the "café") at the first floor of City Hall in approximately 2200 square feet of space, as that area is shown on the map attached hereto as Exhibit "A" and incorporated herein by reference ("Premises"). It is the intent of the parties that the Company will receive an exclusive license from the City to provide food and beverages (for restaurant dining only) to the City.

D. The Company is willing to provide such food service on the terms and conditions set forth herein.

**NOW, THEREFORE, City and Company agree as follows:**

1. Grant and Food Service License. The City hereby grants to Company the use of the Premises and an exclusive license to provide food and beverages (for restaurant dining only) at City Hall located at 3900 Main Street, Riverside, California 92522. In conjunction therewith, the Company shall have the use of the premises to prepare and provide all food and beverages to be served in the café and elsewhere during the term of this Agreement, including vending machines. No vending machines other than those owned by Company will be permitted in City Hall.

2. Term. The term of this Agreement shall be a period of five (5) years commencing on the date that the café opens for food service to customers. This Agreement shall be automatically renewed for additional terms of five (5) years each upon the expiration of each previous term unless either party gives the other written notice ninety (90) days in advance of the end of any term of its

desire to terminate the Agreement. In the event that either party gives notice ninety (90) days in advance of the end of any term, the Agreement shall terminate upon expiration of that term.

Either party may terminate this Agreement with ninety (90) days written notice.

3. Locks and Keys. Two sets of access keys will be issued to Company. A re-keying fee will be assessed for lost keys. The Company will have access to the café's kitchen facilities at all times during the term of this agreement for the purpose of preparation of food for the café and catering functions.

4. Payment for Food and Beverage Service. The City shall pay the Company for all food and beverage service provided pursuant to this agreement, with the compensation described in each of the following subparagraphs.

4.1 Design Fee. Upon execution of this Agreement, the City shall pay the Company a Design Fee in the amount of Fifteen Thousand Dollars (\$15,000) to compensate the Company for the services of its management personnel in consulting with the City with regard to the design of the facility. The initial design is critical in planning a long term sustainable food service operation.

4.2 Construction Start Up Fee. Upon the commencement of construction, City shall pay the Company Twenty Nine Thousand Dollars (\$29,000) to compensate the Company for its work in providing consulting services for the City during the construction of the facility.

4.3 Training and Opening Fee. Upon opening the facility for food and beverage service to customers, City shall pay Company the sum of Thirty Thousand Dollars (\$30,000) to compensate the Company for the management and culinary services in training staff and arranging for the opening of the café. The initial training necessary for a successful opening is paramount to both the City and the Company.

4.4 Deposit. Upon opening the facility, the City shall also pay Company a deposit of Twenty Five Thousand Dollars (\$25,000) that will be refunded as indicated herein. This deposit will be maintained by the Company, with accrued interest at four percent (4%), to the City for a period of five years. If the City contracts with the Company for a second five year term on or before the expiration of the original term, the deposit of \$25,000, including the four percent (4%) accrued interest, will be returned to the City. Company shall provide the deposit refund to the City's General Services Department Director. In the event that the Company is not contracted for a second five year term on or before the expiration of the original term, the deposit will be nonrefundable in order to compensate the Company for the services and expenses involved in the planning and development of the food and beverage services offered at the café.

4.5 Payment for Food and Beverage Service and Profit Distribution. The café will be operated by the Company with any profit shared as described

herein and any loss being the sole responsibility of the Company, it being the understanding of the parties that the City shall in no event bear any portion of a loss. Any profit or loss shall be allocated and paid or distributed as provided herein:

4.5.1 Annually, or on the termination of the agreement (whichever occurs first), the Company shall prepare a statement for the year, or accounting period in the case of early termination, reflecting the year to date profits and losses. Any profit recognized up to the first One Hundred Thousand Dollars (\$100,000) shall be paid to the City. All profits in excess of One Hundred Thousand Dollars (\$100,000) shall be divided equally between the City and the Company. In the event that the annual statement reflects a loss, the Company shall absorb such loss with no reimbursement from the City except as specifically provided herein. The annual statements prepared by Company and profit distribution (if any) shall be provided by Company to City's General Services Department Director.

4.5.2 In the event that a loss is incurred in one of the initial years of the five year term and a profit is recognized in a subsequent year, the loss shall be carried forward to offset the profit in the subsequent year, for example, if a \$50,000 loss is incurred in year one and a \$75,000 profit is recognized in year two, only \$25,000 shall be paid to the City after the \$50,000 loss of the first year is offset against the profit recognized in the second year.

#### 4.5.3 Definitions

"Profit" shall be defined for all purposes under this agreement as the excess of net sales over the total of operating expenses, general support services allowance, and the management fee. "Loss" shall be defined for all purposes under this agreement as the excess of the total of operating expenses, general support services allowance, and the management fee over net sales.

"Net" sales shall be defined under this agreement for all purposes as the total cash sales and charge sales from the food service operation. This total shall be reported on each operating statement, less any and all applicable sales tax.

"Operating expenses" are defined as all costs, charges and expenses incurred in connection with the food service operation including, but not limited, to costs, charges, and expenses for the following:

- (a) Goods sold, including food, beverages and supplies.
- (b) Labor, including salaries, wages, taxes, payroll administration, benefits and human resource procurement and development.
- (c) Other expenses, including, but not limited to, charges based on manual insurance rates for workers compensation, general liability and other insurance maintained pursuant to

the agreement, sales and use taxes, licenses, permits, information systems, proprietary material, flowers, decorations, smallwares, minor equipment, repair and maintenance of Company supplied equipment and other services used in the food service operation.

- (d) General support services allowance to cover services provided by Company for the supervision of Company employees by executives not assigned to the food service operation and general support provided by certain of Company's staff departments in an amount equal to four and one half percent (4.5%) of net sales.
- (e) A management fee equal to six percent (6%) of net sales.

4.5.4 Company's Guarantee. The Company guarantees to City that it will operate the food service facility on the mutually agreed upon economic basis. The Company shall consult with the City with respect to the prices charged in the café in order that the City will have input whether the café shall be operated at a profit greater than the One Hundred Thousand Dollars (\$100,000) which shall first be distributed to the City. In no event shall the City have input that would require the Company to operate the café at a loss.

4.5.5 Minimum Food Service Requirements. Company shall provide, at a minimum, the following items for consumption at the café: fresh, nutritious and attractive breakfast foods, snacks, soft drinks, bottled water, coffee (Starbucks products preferred), teas, chocolate, sandwiches, salads, lunch items, chips, yogurt and other high-quality foods that may be pre-prepared or prepared on the Premises. Company is strictly prohibited from selling alcohol, tobacco or any tobacco-related products.

4.5.6 Health Requirements. Company shall at all times maintain a County of Riverside Health Department rating of "A".

4.5.7 Catering. Company agrees to cater miscellaneous events within the City Hall building or at local outside City-facilities on an as-needed basis upon forty-eight (48) hours notice by City personnel.

5. Janitorial Services. City will provide janitorial services for all common areas of the café (as depicted on Exhibit "A"). All janitorial services required for the food preparation area (daily cleaning) shall be provided by Company at Company's sole expense. The café tables shall be wiped down by the Company during its hours of operation.

6. Representations and Warranties of Company. The Company represents and warrants as follows:

6.1 The Company shall use its best efforts to provide food and beverages of good quality in compliance with all applicable laws and regulations. The Company shall use its best efforts to provide the caliber of food and beverage service requested by the City in accordance with the express desire of

the City as communicated in the consultations by the Company with the City concerning food, beverages, prices, and the services provided by the Company pursuant to this Agreement.

6.2 The Company shall provide food and beverage service at the café for breakfast and lunch, Monday and Wednesday through Friday, during the hours of 7:00 am to 5:00 pm, and on Tuesdays (City Council Meeting dates) from 7:00 am to 8:00 pm. (Note: There currently are no City Council Meetings on 5<sup>th</sup> Tuesdays or 1<sup>st</sup> and 3<sup>rd</sup> Tuesdays in July and August.) The Company may close the café on holidays as desired by the City and Company in consultation with each other. The Company shall cooperate with the City in planning the menu and arranging for staffing of the food service as reasonably requested by the City from time to time during the term of this Agreement provided, however, that the City shall use its best efforts to give the Company adequate notice and opportunity to make satisfactory arrangements for the food and beverage service to be provided.

6.3 The Company shall keep adequate books and records of the cost of the food and beverage service provided in accordance with its customary accounting practices (including the four and one half percent of revenue charged for administration and overhead expenses), and such books and records shall be made available to the City for its review and audit no more frequently than once each quarter during the term of this Agreement. In the event the books and records reflect any discrepancy between the amount charged and the actual cost of such food and beverage service, an appropriate adjustment shall be made on the next monthly billing provided by the Company to the City.

6.4 The Company will use its best efforts at all times to manage, maintain, repair, and clean the kitchen and all equipment therein in a good and substantial state of repair and condition in compliance with all laws and regulations.

7. Facility. The City shall provide a café capable of indoor and outdoor seating for at least ninety-six (96) people. The City shall arrange for the installation of and payment for all improvements, furniture and equipment, and smallwares required to open the café. The interior improvements and exterior of the café shall be satisfactory to the Company and in full compliance with all applicable laws and regulations in order that the café is ready for occupancy at the commencement of the term of this Agreement.

The City shall provide and pay for all major maintenance and expenses related to the upkeep of the facility which shall at all times be maintained in a first-class condition throughout the term of this Agreement. The Company shall notify the City of any defects to any of the improvements of which it becomes aware, and the City shall use its best efforts to insure that repairs are carried out in a prompt and satisfactory manner upon receipt of such notice. Notwithstanding the foregoing, the Company shall provide routine maintenance and repair on the restaurant equipment provided by the City.

8. Equipment Provided by City. The City at its expense shall provide all equipment, furniture, and fixtures necessary to operate the café except for the utensils and plateware which shall be provided by the Company at its expense. The Company shall provide the City with a list of the necessary equipment, furniture, fixtures, small wares, service carts, and other items required for complete food service at the café. All such property shall remain the assets of the City throughout the term of this Agreement and upon expiration thereof. The City shall replace any worn or broken equipment and fixtures and other items as necessary during the term of this Agreement upon reasonable notice from the Company.

9. Staff. The Company shall appoint a representative experienced in food and beverage operations that will act as the contact point for the City. This representative shall be responsible for providing information to the City, presenting menu ideas, meal planning assistance, and other assistance as reasonably required by the City in planning its events for the customers of the café.

The Company shall insure that all staff engaged in the provision of food and beverage service will be properly trained, will dress in accordance with wardrobe requirements reasonably agreed upon by the Company and the City, and at all times will present a neat and clean appearance and render competent and courteous service to customers in accordance with the requirements agreed upon by the Company and the City from time to time.

The City shall have the right, at its sole discretion, to require the Company to remove from active employment any employee or subcontractor of the Company who is in violation of the wardrobe, grooming, appearance, conduct standard, who commits any illegal or dishonest act, or engages in behavior deemed by the City guidelines to not be in the best interest of the City and its image and reputation.

9.1 Management Non-Hire. City shall not hire, make any agreement with, or permit the employment by a successor contractor in any of the Food Service operations, any person who has been a Company management employee at the Food Service within the earlier of one (1) year after said employee terminates employment with Company or within one (1) year after termination of this Agreement. This provision shall survive the termination of the Agreement.

10. Utilities and Uniforms. With the exception of telephone service, the City shall pay the cost of all utilities provided to the café at any time during the term of this Agreement. However, the Company shall provide the uniforms to be worn by all food servers and other personnel engaged to provide the food and beverage service at the café. The cost of such uniforms shall be included as an operating expense as defined above in this Agreement.

11. City's Right to Enter. Company shall permit City and City's agents, employees and contractors to enter into and upon the Premises to inspect the Premises and make any necessary repairs and/or alterations which are

necessary, desired or advisable without any interference or claim for damages by Company. City shall give a minimum of twenty-four (24) hours notice of such entry unless such entry is precipitated by an emergency.

12. City Hall Lobby. Company shall have the non-exclusive right to use the City Hall Lobby area, as depicted on Exhibit "A", for the purposes intended, subject to such reasonable rules and regulations as City may establish from time to time.

13. Licenses and Permits. The Company shall obtain and maintain in good standing at all times all necessary licenses and permits for the service of food and beverages at the café.

14. Non-Discrimination. Except as provided in Section 12940 of the California Government Code, during the term of this Agreement, neither party shall discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical handicap, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex or sexual orientation in use of the Premises.

15. Supervision. Company shall be responsible for supervision and monitoring of all activities on the Premises, and the control of access to the Premises at all times.

16. Hazardous Materials and Waste. Company agrees that it will not place, use or store, or allow any placement, use or storage of any hazardous waste, hazardous material, or flammable materials on the Premises, and that it will not commit any waste upon or damage to the Premises, nor suffer any to be done. Company also specifically agrees that it will not allow others to take such actions on the Premises. Should Company place, use or store any hazardous material on the Premises or offsite, Company agrees to indemnify, defend, release, and hold City, its officers, officials, directors, agents, servants, and employees, harmless from any against any liability, loss, fine, penalty, fee, charge, lien, judgment, damage entry, claim, cause of action, suit, proceeding, remediation, response, removal, or clean-up and all costs and expenses associated therewith, including, but not limited to attorneys' fees, expert fees and court costs.

17. Indemnity.

17.1 Except as to the negligent acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of City or any of its employees, officers, managers, agents, and council members, Company shall defend, indemnify and hold the City, and its employees, officers, managers, agents and council members, harmless from any and all loss, damage, claim for damage, liability, expense or cost, including attorneys' fees, which arises out of, or is related to, or is in any manner connected with, the performance of

work, activities, operations or duties of Company, or anyone employed by or working under Company, and from all claims by anyone employed by or working under Company for services rendered to Company in the performance of this Agreement, notwithstanding that the City may have benefited from their services. This indemnification provision shall apply to any negligent acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Company or of anyone employed by or working under Company.

The parties expressly agree that any payment, attorneys' fees, costs or expense that the City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this Section, and that this Section shall survive the expiration or early termination of the Agreement.

18. Insurance.

18.1 General Provisions. Prior to the City's execution of this Agreement, Company shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.

18.1.1 Limitations. These minimum amounts of coverage shall not constitute any limitation or cap on Company's indemnification obligations under Section 17 hereof.

18.1.2 Ratings. Any insurance policy or coverage provided by Company or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of B+ or higher and a Financial Class of VII or higher.

18.1.3 Cancellation. The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail, postage prepaid.

18.1.4 Adequacy. The City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Company pursuant to this Agreement are adequate to protect Company. If Company believes that any required insurance coverage is inadequate, Company will obtain such additional insurance coverage as Company deems adequate, at Company's sole expense.



**18.2 Workers' Compensation Insurance.** By executing this Agreement, Company certifies that Company is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Company shall carry the insurance or provide for self-insurance required by California law to protect said Company from claims under the Workers' Compensation Act. Prior to City's execution of this Agreement, Company shall file with City either (1) a certificate of insurance showing that such insurance is in effect, or that Company is self-insured for such coverage, or (2) a certified statement that Company has no employees, and acknowledging that if Company does employ any person, the necessary certificate of insurance will immediately be filed with City. Any certificate filed with City shall provide that City will be given ten (10) days prior written notice before modification or cancellation thereof.

**18.3 Commercial General Liability and Automobile Insurance.** Prior to City's execution of this Agreement, Company shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance and automobile liability insurance as required to insure Company against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Company. The City, and its officers, employees and agents, shall be named as additional insureds under the Company's insurance policies.

18.3.1 Company's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent Company's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000.

18.3.2 Company's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Company's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Company's performance of this Agreement, which vehicles shall include, but are not limited to, Company owned vehicles, Company leased vehicles, Company's employee vehicles, non-Company owned vehicles and hired vehicles.

18.3.3 Prior to City's execution of this Agreement, copies of insurance policies or original certificates and additional insured endorsements evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with City and shall include the City and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of

commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside.

18.3.4 The insurance policy or policies shall also comply with the following provisions:

a. If the policy is written on a claims made basis, the certificate should so specify and the policy must continue in force for one year after completion of the services. The retroactive date of coverage must also be listed.

b. The policy shall specify that the insurance provided by Company will be considered primary and not contributory to any other insurance available to the City as it pertains to claims arising out of the negligence or willful misconduct of Company.

18.5 Subcontractors' Insurance. Company shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss, that may be caused by the subcontractors= scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages: Workers Compensation, Commercial General Liability, and Automobile liability. Upon City's request, Company shall provide City with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

19. Free from Liens or Claims. Company shall keep the Premises free from any mechanics' or materialmen's liens or other liens of any kind or nature for any work done, labor performed, or material furnished thereon at the instance or on account of Company.

20. Relationship. It is expressly understood and agreed that the parties intend by this Agreement to establish a relationship of licensor and licensee, each as an independent contractor. It is not the intention of either party to undertake a joint venture or to make the Company in any sense an agent, employee, affiliate, associate, or partner of the City. It is further agreed that the company has no authority to and will not at any time hereafter transact any business in the name of the City or act as the City's agent or representative for any purpose whatsoever, and the Company shall not hold itself out as having any such authority. Similarly, the City has no authority to and will not at any time hereafter transact any business in the name of the Company or act as the Company's agent or representative for any purpose whatsoever, and the City shall not hold itself out as having any such authority.

21. Confidentiality. To the extent permitted by law, each of the parties hereto agrees to:

21.1 keep confidential all information (written and oral) concerning the business and affairs of the other that it shall have obtained or received as a result of the discussions leading up to or the entering into or performance of this Agreement (the "information");

21.2 not without the other party's prior written consent disclose the information in whole or in part to any other person except those of its employees who have a need to know the same; and

21.3 use the information solely in connection with this Agreement and not for its own use or the benefit of any third party.

The foregoing provisions shall not apply to the whole or any part of the information to the extent that it is trivial or obvious, or in the public domain. The provisions of this paragraph shall survive the termination of this Agreement for whatever reason.

22. Trade Secrets and Proprietary Information. During the term of this Agreement, Company may grant to City, as an operating expense, a non-exclusive license to use certain proprietary information of Company, including but not limited to recipes, dietary surveys and studies, menu boards and related signs, trade names, foodservice uniforms, management guidelines and procedures, software programs, and computerized databases, operating manuals, and similar compilations and documents regularly used in the operation of the business of the Company. City shall not disclose any of Company's trade or proprietary secrets or confidential information, directly or indirectly, during or subsequent to the term of this Agreement. City further agrees not to photocopy or otherwise duplicate any such material without the prior specific written consent of Company. All recipes, signage, files, records, documents, compilations, manuals and similar items shall remain the exclusive property of Company and shall be returned to Company immediately upon termination of this Agreement.

23. Notices. All notices under this Agreement must be in writing and shall be deemed to have been duly given if delivered personally or mailed, postage prepaid, by certified mail, return receipt requested, addressed to the party to be notified. Such notice shall be deemed to have been given as of the date so delivered if delivered in person or upon deposit thereof in the United States mail. For the purposes of notice, the addresses of the parties are as follows:

To City

General Services Department  
City of Riverside  
Attn: Kris Martinez  
3900 Main Street  
Riverside, CA 92522

To Company

Provider Contract Foodservice,  
LLC  
Attn: Rodney Couch  
6104 Riverside Avenue  
Riverside, CA 92504

Each party shall have the right to change the address to which notice to such party is to be given by giving written notice thereof to all other parties to this Agreement.

24. Economies of Scale and Rebates. The Company shall disclose to City all direct rebates applicable to food and supplies purchased for the performance of Company's obligations under this Agreement. The written monthly and annual statements provided to City shall disclose applicable rebates which will be taken into consideration and calculated to determine City's share of any profit.

25. Severability. Each provision, term, condition, covenant, and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant, and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant, and/or restriction, of this Agreement and the remainder of the Agreement shall continue in full force and effect.

26. Governing Law and Jurisdiction. Company agrees that in the exercise of its rights and performance of its obligations under this Agreement, Company shall comply with all applicable federal, state, county and local laws, and regulations in connection with its use of the Premises. The existence, validity, construction, operation and effect of this Agreement and all of its terms and provisions shall be determined in accordance with the laws of the State of California. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

27. Amendments. This Agreement is subject to amendment only by the written approval of all of the parties hereto. Any amendment or modification of this Agreement shall be dated, and where any conflict arises between the provisions of said amendment or modification and provisions incorporated in earlier documents, the most recent provisions shall be controlling.

28. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, successors, legal representatives and assigns.

29. Copies of Agreement. Multiple copies of this Agreement may be executed, each of which shall be deemed to be an original. A photo static copy of this entire Agreement, including the signature page(s) and all exhibits, shall be deemed an original.

30. Entire Agreement: Merger. This Agreement supersedes any and all other agreements, either oral or written, between the parties hereto with respect to the subject matter hereof. It contains all of the covenants, conditions and agreements between the parties with respect to the subject matter. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained herein shall be valid or binding. Any oral representations or modifications concerning this Agreement shall be of no force or effect, except a subsequent modification in writing signed by the parties to be charged.

31. Paragraph Titles. The paragraph titles of this Agreement (i) are inserted only for the convenience of the Parties, (ii) are not intended to describe, define, limit, or otherwise affect the provisions in the portions of the lease to which they pertain, and (iii) in no way describe, define, limit, or otherwise affect the scope or intent of this Agreement in any way affect the agreement of the Parties as set forth herein.

32. Reservations. This Agreement is subject to all reservations, restrictions, rights and rights-of-way of record.

33. Assignment. This Agreement may not be assigned without the written consent of the other party, except that either party may, without prior approval and without exoneration of any of its responsibilities, assign this Agreement to any affiliate or wholly owned subsidiary.

34. Authority. The individuals executing this Agreement and the instruments reference herein, each represent and warrant that they have the legal power, right and actual authority to bind the respective parties to the terms and conditions hereof and thereof.

35. Non-Possessory Interest. No permanent or possessory interest shall accrue to Company in the leased Premises by reason of this Agreement or by exercise of the permission given and Company agrees to claim no such interest.

36. Waiver. A waiver of the breach of any covenant, condition or promise of this Agreement, shall not be deemed a waiver of any succeeding breach of the same or any other covenant, condition or promise of this Agreement. No waiver shall be deemed to have been given unless given in writing and in compliance with the "Notices" paragraph hereinabove recited.

37. Gender and Number. As used herein, the masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the other whenever the context so indicates.

38. Attorney's Fees. If any legal action, including arbitration or an action for declaratory relief, is brought to enforce or interpret the provisions of this

Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees from the other party. These fees, which may be set by the court in the same action or in a separate action brought for that purpose, are in addition to any other relief to which the prevailing party may be entitled. This provision applies to the entire Agreement.

39. Force Majeure. Company shall not be chargeable with, liable for, or responsible to City for anything or in any amount for any failure to perform or delay caused by: fire; earthquake; explosion; flood; hurricane; the elements; acts of God or the public enemy; actions, restrictions, limitations or interference of governmental authorities or agents; war; invasion; insurrection; rebellion; riots; strikes or lockouts; inability to obtain necessary materials, goods, equipment, services, utilities or labor; or any other cause whether similar or dissimilar to the foregoing which is beyond the reasonable control of Company; and any such failure or delay due to said causes or any of them shall not be deemed a breach of or default in the performance of the Agreement by Company.

40. Agreement to Perform Necessary Acts. Each of the parties hereto agrees to execute and deliver such other and further documents and to perform such other acts as shall be necessary to effectuate the purposes of this Agreement.

41. Negotiated Transaction. The provisions of this Agreement were negotiated by all of the parties hereto and said Agreement shall be deemed to have been drafted by all of the parties hereto.


42. Survival of Warranties. All representations and warranties made herein shall survive the execution of this Agreement.


**[Signatures on following page.]**

IN WITNESS WHEREOF City and Company have caused this Agreement to be duly executed the day and year first above written.

CITY OF RIVERSIDE, a California  
Charter city and municipal corporation

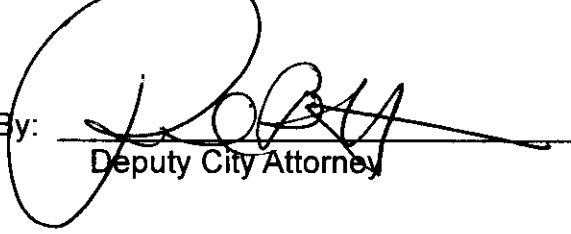
PROVIDER CONTRACT  
FOODSERVICE, LLC

By:  *mek 6/24/06*  
City Manager

By:  as President  
Rodney Couch  
Manager

Attest:   
City Clerk

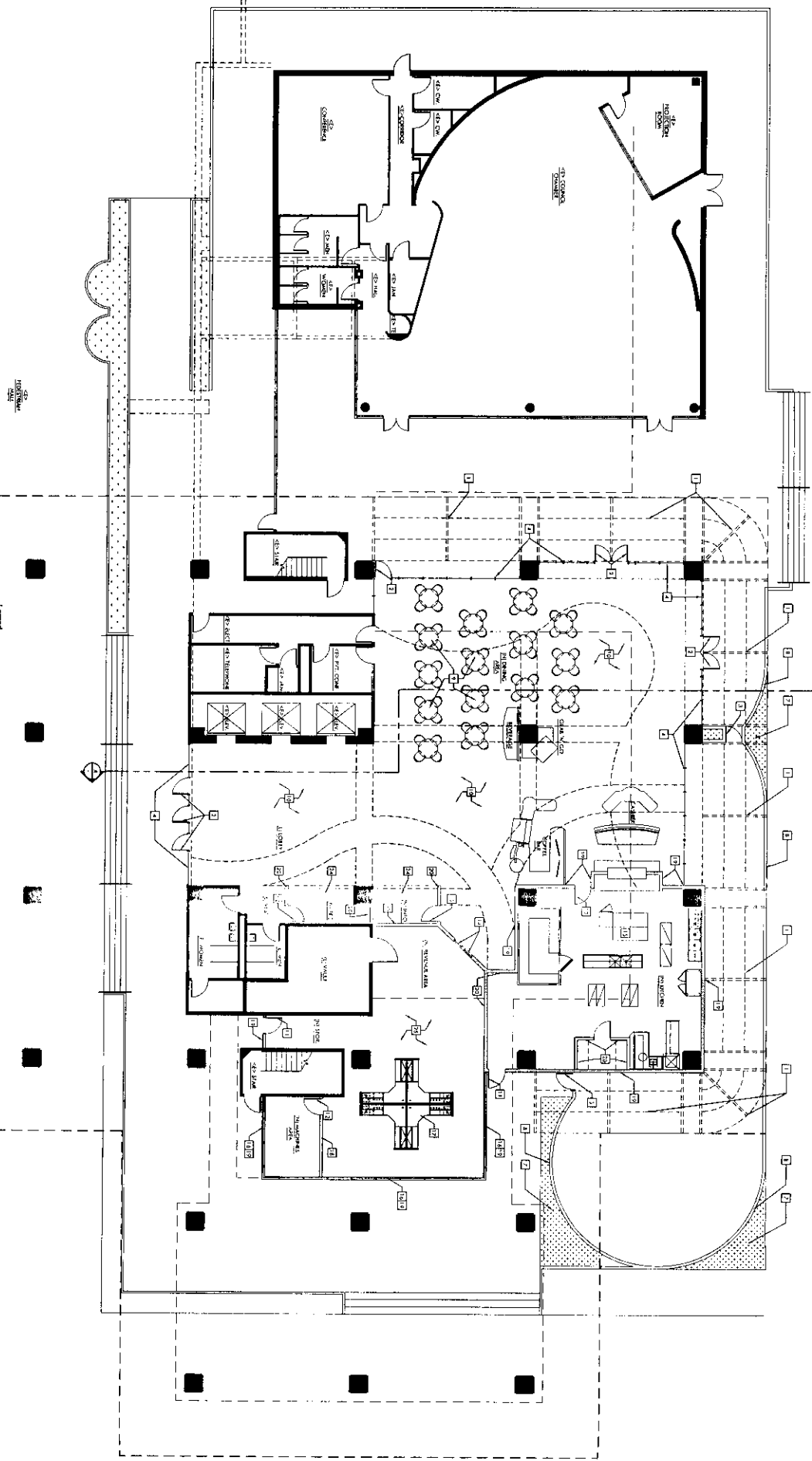
APPROVED AS TO FORM:

By:   
Deputy City Attorney

**EXHIBIT "A"**  
**Description of Café on First Floor of City Hall**  
**[Attached behind this page.]**



- Legend**
- Existing walls
  - New walls
  - Existing columns
  - New floor ceiling
  - New main floor
  - New 1st floor
  - New 2nd floor
  - New 3rd floor
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  - New 48th floor
  - New 49th floor
  - New 50th floor





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
05/23/2006

RECEIVED  
CITY OF RIVERSIDE

JUN 22 2006

<b>PRODUCER</b> RIGHT INSURANCE MARKETING 12600 BROOKHURST STREET #200 GARDEN GROVE, CA 92840 PHONE: 714-836-8491 FAX: 714-836-8483		<b>INSURED</b> PROVIDER CONTRACT FOOD SERVICE, LLC MARKET BROILER MANAGEMENT, INC 6104 RIVERSIDE AVE. RIVERSIDE, CA 92506		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
		<b>RISK MANAGEMENT</b>		<b>INSURERS AFFORDING COVERAGE</b>	
				<b>INSURER A:</b> ALLIED INSURANCE COMPANY	
				<b>INSURER B:</b> FARMERS INSURANCE GROUP	
				<b>INSURER C:</b> NATIONAL UNION INS. CO. OF PITTSBURGH	
				<b>INSURER D:</b>	
				<b>INSURER E:</b>	

### COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'G COVRS	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A		<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	ACP BPF 7801864476	01/11/2006	10/20/2006	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B		<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	60282-74-28	10/20/2005	10/20/2006	COMBINED SINGLE LIMIT (Per accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
C		<b>EXCESS/UMBRELLA LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$	EBU9035481	10/20/2005	10/20/2006	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - FEA EMPLOYEE \$
		OTHER				

APPROVED AS TO FORM

*Edw. Light* 06/22/06

RECEIVED

JUN 23 2006

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS / ADD'G BY ENDORSEMENT / SPECIAL PROVISIONS

IT IS AGREED THAT THE CITY OF RIVERSIDE, AND ITS OFFICERS, EMPLOYEES AND AGENTS, ARE ADDED AS ADDITIONAL INSURED UNDER THIS POLICY, SOLELY FOR WORK DONE BY AND ON THE BEHALF OF THE NAMED INSURED FOR THE CITY OF RIVERSIDE

CITY OF RIVERSIDE  
City Clerk's Office

<b>CERTIFICATE HOLDER</b> CITY OF RIVERSIDE 3900 MAIN STREET RIVERSIDE, CALIFORNIA 92522	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE: <i>[Signature]</i>
---	---

SCANNED

JUN 22 2006

# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)  
1/05/06

**PRODUCER**  
Driver Alliant Insurance  
420 South Broadway  
Escondido, CA 92025  
License #: 0C36861  
760-740-2040

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

### COMPANIES AFFORDING COVERAGE

COMPANY A CA Rest Mutual Benefit Corp.

COMPANY B

COMPANY C

COMPANY D

**INSURED**  
Market Broiler Management, Inc  
6104 Riverside Avenue  
Riverside CA 92506

### COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ PERSONAL & ADV INJURY \$ EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
	<b>EXCESS LIABILITY</b> <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL	CRO1064517	1/01/06	1/01/07	X WC STATUTORY LIMITS OTH-ER EL EACH ACCIDENT \$ 1000000 EL DISEASE - POLICY LIMIT \$ 1000000 EL DISEASE - EA EMPLOYEE \$ 1000000
	OTHER				*10 Day Notice of Cancellation for Non Payment of Premium

APPROVED TO FORM  
*Gene Light* 02/06/06

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS  
RE: Proof of Workers Compensation Insurance

### CERTIFICATE HOLDER

City of Riverside  
Attn: Gene Light  
3900 Main Street  
Riverside, CA 92522

SCANNED

MAY 17 2005

Finance/Risk Mgmt

### CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

*Gene Light*

DATE: June 6, 2006

CONTRACTOR: Provider Contract Food Service

DESCRIPTION: City Hall Bistro

DEPARTMENT: General Services

DEPT. HEAD APPROVAL:  \_\_\_\_\_

RETURN TO DORI ALEXANDER, EXT. 4276, CITY CLERK'S OFFICE

DOCUMENT TRANSMITTAL FORM

RECEIVED

MAY 22 2006



City of Riverside  
City Clerk's Office

TO: CITY CLERK'S OFFICE  
FROM: CITY ATTORNEY'S OFFICE  
DATE: May 22, 2006

CONTRACTOR/OTHER PARTY: PROVIDER CONTRACT FOODSERVICE, LLC

DOCUMENT DESCRIPTION/BID NO.: Food Service & Lease Agreement  
(City Hall - First Floor Café)

Approved by [City Council] [Agency] on  
 Anticipated [City Council] [Agency] future agenda of **06/06/06**  
No City Council action required

*91-462*

Insurance required:

Bonds required:

No  
 Yes, as attached  
 Yes, withhold execution until received

No  
 Yes, as attached  
 Yes, withhold execution until received

Type of Insurance required (unless waived by the Risk Manager):

Commercial General Liability *10-26-06*  
 Auto *10-26-06*  
 Professional Liability  
 Workers' Compensation *1-1-07*  
 Other: **ADDITIONAL INSURED ENDORSEMENT (AIE)** *attached*

*Dept Head*

Agreement date(s):

City Council Approval Date:  
 Date City executes *10-26*  
Other:  
 Agreement expiration date: **FIVE (5) YEARS FROM DATE OF EXECUTION**

*attached*

Comments: AFTER EXECUTION, PLEASE RETURN ONE ORIGINAL TO KRIS MARTINEZ IN GENERAL SERVICES.

Department: General Services

Contact person: Kris Martinez

Approved as to form by: Raychele Banac Sterling

Date Approved as to Form: 05/22/06

CA #: 05-2094

cc: Purchasing Division  
Originating Department: General Services

*WAT  
TD*