



# City of Santa Maria

## REQUEST FOR PROPOSALS

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### **Food and Beverage Concession Library Café Santa Maria Main Library 421 S. McClelland Street**

Sealed Proposals Due by: April 10, 2020

ISSUING OFFICE: City of Santa Maria  
SANTA MARIA MAIN LIBRARY  
**Contact: Mary Housel**, City Librarian  
City of Santa Maria  
Public Library  
421 S. McClelland Street  
(via Delivery, i.e., FedEx, UPS, etc.)  
Santa Maria, CA 93454  
Telephone: (805) 925-0994, ext. 2322  
E-mail address: [mhousel@cityofsantamaria.org](mailto:mhousel@cityofsantamaria.org)

## REQUEST FOR PROPOSALS NOTICE

### CITY OF SANTA MARIA, CA

The City of Santa Maria (City) invites requests for proposals (bid proposals) including vendor qualifications/experience and references, for LIBRARY CAFE SERVICES FOR MUNICIPAL SERVICES AT THE CITY'S PUBLIC LIBRARY, 421 S. McClelland Street, Santa Maria.

One original and one (1) copy of the bid will be received until **4:00 p.m., on Friday, April 10, 2020**. Telephone or facsimile bids will not be accepted. Bids not received by the deadline will not be considered and will be returned unopened to the bidder.

SEALED PROPOSALS must be signed and submitted in a sealed package that is clearly marked, on the outside of the bid package, with the name and address of the bidding firm and "Santa Maria Public Library Cafe" and delivered to:

Mary Housel, City Librarian  
City of Santa Maria  
Santa Maria Public Library  
421 S. McClelland Street  
Santa Maria, CA 93454

All bids shall be in accordance with the attached specifications.

The Library Café occupies the room in the northeast corner of the lobby of the City of Santa Maria Public Library building at 421 South McClelland Street. The room is approximately 334 square feet plus lobby seating. The Café also has an exterior window for walk up customers.

The Café is not a full service kitchen. Minimal food preparation is allowed, i.e. cooking and baking on the premises is not allowed; though previously prepared food may be microwaved to re-heat. The Café has a three-compartment sink. Neither tobacco products nor alcoholic beverages may be sold at the Café. Some equipment is provided by the City and listed in Exhibit "C". There is three-compartment sink. The lobby area is suitable for pick up and carry food and drinks. The City owns some of the equipment in the Café, and the Contractor is expected to provide additional equipment.

Proposals for the cafe shall be executed on forms provided in the RFP packet and in accordance with the instructions contained therein.

The City reserves the right to reject any and all bids, to waive any irregularities in any bid, reserves the right to sit and act as sole judge of the merit and qualifications of item(s) offered, and to accept the bid which is deemed to be in the best interest of the City. The City awards bids based on the submittal that is most advantageous to the City in price, quality and suitability of goods/services.

The City is a Charter City and any contracts into which the City enters may be subject to the provisions of its charter, which may supersede certain provisions of the public contract code and other provisions of State law.

Dated at City of Santa Maria, County of Santa Barbara, California this 27th day of February 2020.

By: **Mary House**  
City Librarian/Library Director  
Santa Maria Public Library  
City of Santa Maria CA

## SECTION I.

### INTRODUCTION AND BACKGROUND

The City of Santa Maria (“City”) seeks proposals from qualified firms to profitably operate a Café featuring generally healthy food, in leased space adjacent to its Main Library located at 421 S. McClelland Street, Santa Maria.

The City of Santa Maria Public Library is a 59,850-square-foot, two-story building which provides the community with full Library services. The Library averages about 1,000 visitors per day. Additionally, the Library’s three meeting rooms attract many outside groups and visitors attending special meetings and events.

The Library is located near the County courthouse, City of Santa Maria offices, the Santa Maria mall and the Abel Maldonado Youth Center. Total city population is 107,356.

Regular Library hours of operation are 9:00 a.m. to 7:00 p.m. Monday through Thursday, 10:00 a.m. to 6:00 p.m. Friday and Saturday, and 1:00 to 5:00 p.m. Sunday. It is expected that the Café will be open the majority of regular Library hours. Changes in Café hours may occur when reductions or increases occur in the Library budget. There is an exterior window for walk-up sales enabling Café hours to differ than Library hours. Additional hours will be mutually agreed upon by the City and the concessionaire after award of contract.

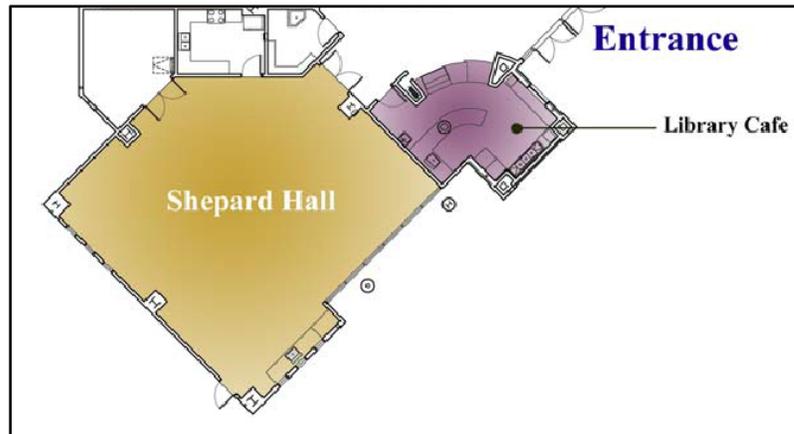
### SCHEDULE

ACTIVITY	DATE
Request for Proposals (RFP) Issued	February 27, 2020
On-Site Visit at Library*	March 25, 2020 2 p.m. (PST)
Last day for Request for Clarification/Inquiry	March 27, 2020, 5:00 p.m. (PST)
Proposal Due Date	April 10, 2020, 4:00 p.m. (PST)
Evaluation and Recommendation of Award	Late April 2020
Execution and Commencement of contract	Late April 2020

\* Dates are tentative and may be subject to change by the City.

### LIBRARY CAFE INFORMATION

The Café occupies the room in the northeast corner of the lobby of the City of Santa Maria Public Library building at 421 South McClelland Street. The room is approximately 334 square feet plus lobby seating. The lobby area is suitable for pick up and carry food and drinks. The area may be used as an espresso bar, soup, salad, and sandwich café, or carry-out food area.



*The location of the Library Café is adjacent to the Library's entrance and to Shepard Hall.*



*View of the Library Café from the lobby*



*There is one exterior window for walk-up sales.*

The Café is not a full-service kitchen. Minimal food preparation is allowed, i.e. cooking and baking on the premises is not allowed; though previously prepared food may be microwaved to re-heat. The Café has a three-compartment sink. Neither tobacco products nor alcoholic beverages may be sold at the Café.

Under a lease with the concessionaire for the monthly rent of \$450, the City will provide electricity, gas, water service and heating/air conditioning. The Library shall not be held responsible for any break in these services or for any loss of operational hours by the vendor resulting from them. In addition, the City will provide the equipment listed in **Exhibit "C."** The concessionaire will provide all other improvements, services, personnel and equipment needed to operate the Café. The vendor will be responsible for his/her own telephone and for all other costs and expenses of its operations. The Library has storage shelves available for use by the Café operator in a nearby shared closet.

If the concessionaire desires signage or improvements, they must be approved in advance by the City and installed at the concessionaire's expense. An outdoor patio area to the north of the building is available for vendor use, however, the vendor must maintain the area by cleaning it, stacking and locking the furniture up nightly, and monitoring use.

Upon separating from the Library Café business, the concessionaire does not have a right to "sell" the business but is allowed to remove or sell the equipment that is owned by the concessionaire, but not by the City.

Vendor shall be responsible keeping the Café area clean, neat, and in a safe and sanitary condition by bussing the seating areas, immediately cleaning up all spills and messes in that area. The vendor will not allow boxes, cartons, barrels, carts or other similar items to remain in view in public areas.

The Café will provide beverages and a variety of light fare to customers and staff at inexpensive to moderate prices. Additionally, the Café vendor should be prepared to offer to provide all food and refreshments served in the Library's meeting rooms for meetings or events held during regular public hours of operations at the Library, as well as providing utensils, supplies, containers and linens as required. While catering information can be provided to all making room reservations, there is no exclusivity in this RFP.

## **SECTION II.**

### **PROPOSAL REQUIREMENTS**

A. General. Using the format set out below, proposers must submit **one original and one copy** of a complete, concise, well-organized proposal that demonstrates their relevant qualifications and experience. Sealed proposals must be submitted to the address listed on the cover sheet. All proposals become public records and the City will not be responsible for proposers' costs of preparation or submittal.

The City may, at its discretion, disqualify any proposal: that exceeds 15 pages, is incomplete, does not use the specified format, contains inaccuracies or misstatements, or does not meet the qualifications outlined below.

Questions regarding proposal requirements may be directed in writing to Mary Housel, whose contact information appears on the cover sheet. Each question shall include the subject "Food and Beverage Concession, Library Café, Santa Maria Main Library" and identify the page and paragraph to which the question pertains. It is each proposer's responsibility to obtain clarifications from the City before submitting a proposal.

City acceptance of a proposal obligates the proposer to enter into a lease with the City in the form of the attached sample lease, **Exhibit "A,"** within forty-five days; otherwise the City may negotiate with another qualified proposer.

**The City also reserves the right, in its sole discretion, not to award a lease as a result of this request for proposals.**

B. Contents. Each proposal must include, in the following order:

1. Cover Page: The cover page shall be labeled "Food and Beverage Concession, Library Café, Santa Maria Main Library" and include the RFP number; Proposer's name,

address, telephone and fax number, e-mail address, primary contact person of firm and the date that the proposal was prepared.

2. Transmittal letter: The transmittal letter shall be on the Proposer's letterhead, must acknowledge receipt of any addenda to the request for proposals, and shall include a statement that proposer agrees to the terms of this request for proposals, including the sample lease (**Exhibit "A."**). The letter shall be signed. The signature on the transmittal page is considered an integral part of the proposal and shall be signed by an individual(s) who is/are authorized to contractually bind offeror(s). The signature(s) must indicate the title or position that the individual(s) holds in the firm. An unsigned proposal will be rejected.

3. Executive Summary: A one- to two-page summary of the entire proposal.

4. Company information:

- a. Legal name, street and mailing addresses of the proposer
- b. Legal form of the proposer's business
- c. Names and titles of those authorized to sign on the proposer's behalf
- d. Name, title, address, telephone, and email of primary contact person

5. Operating experience: A description of at least three years of continuous experience in the ownership and direct management of a similar type of food and beverage business as that which is proposed is preferred. Ownership is defined as a minimum ownership of twenty-five (25) percent and active involvement in the day-to-day management of the business. Also include membership in professional associations and industry leadership awards that the Proposer's firm has earned in the last five (5) years. Proposals with less than three years of experience will be considered and new vendors are encouraged to apply.

Additionally, proposers must possess the requisite food handler safety certifications, food handler card, and other permits as required by the County Public Health Department and California Health and Safety Code.

6. Financial Information and Reference Check: A demonstration that the proposer has the financial responsibility and sufficient resources to finance, develop, and operate a food and beverage program as contained in this request for proposal. Include:

a. A balance sheet, statement of cash flow and income statements for the last two fiscal years prepared in accordance with Generally Accepted Accounting Principles (GAAP) is preferred. The listed items shall reflect the current financial condition of the proposer's entity. Include an interim balance sheet and income statement of any significant financial events occurring subsequent to the closing date of the most recent financial statements; and

b. A minimum of two (2) credit trade references, two (2) café/restaurant references (if applicable) and a bank reference. Proposer shall include contact name, address and telephone numbers of all references.

c. Live scan clearance: The concessionaire and all employees must receive live scan clearance before operating the Café.

7. Financial Projections: A Proforma Operating Statement projecting gross sales and expenses per location (**see Exhibit “B”**). The proformas will be evaluated by the Selection Panel in terms of reasonableness, demonstrated understanding of the proposed contract, viability of the proposed operation, and ability to fund continuing operations from cash flow generated by the business.

8. Concept and Marketing Plan: A description of the concept or theme proposed for the Café, with targeting strategies and techniques proposed to be implemented at the Library to promote the Café. List all forms of advertisement, promotional programs or activities, seasonal promotions, and special customer services. **Do not include marketing materials in responding to the request for proposals.**

Provide a menu of items proposed to be offered, with proposed prices. Menu should focus on local and healthy choices products, such as those that meet the standards for food and beverages set out in California State Senate Bills 12 (2005) and 965 (2005), and should appeal to the diverse ages, cultures and expectations of Library clients which include grab and go items and fruit options for quick service. (A final menu will be agreed by Library staff and the concessionaire and become an attachment to the lease.) Vendor may display electronic signs but no floor stand or handmade signs.

Also submit information indicating preparedness to provide food, refreshments, utensils, containers and linens to serve events held in Library meeting rooms during the Library’s hours of operation.

9. Management and Operations Plan: An explanation of how the proposer’s management structure, staff, operations plan, and cash register management will achieve the goal of operating a high quality customer focused Café operation.

Include:

- Quality control standards
- Maintenance plans with cleaning and inspection schedules
- Experience of the proposed management team
- Proposed staffing levels and schedules to illustrate coverage of operating hours
- Emergency operations staffing procedures

10. Labor and Training Practices: The following information regarding the recruiting, training, motivation, and retention of quality staff:

- Describe recruiting techniques and sources of management and non-management labor
- Discuss employee retention issues, salaries, and specific Café plans
- Describe Proposer’s customer service training program for employees
- Describe policies regarding a diverse work force.

C. Optional Contents: At the option of the Proposer, Proposer may offer a modification to the proposal. At the sole discretion of the City, City may reject proposed modification partially or entirely. The Proposed Modification shall include the following components: Description of modification(s) (i.e. structurally and business plan), and description of structural modifications to the concession area, costs of the changes, discussion of changes (i.e. temporary or permanent), explanation of the reason and benefit of any structural modification, and timeline of changes. For proposed capital improvements, describe how the design is consistent with Santa Maria's image, the Library's architectural integrity, and the needs of the Library's clientele. All costs associated to the modifications are the responsibility of the proposer.

### **SECTION III. EVALUATION PROCESS AND CRITERIA**

A. General: Proposals will be evaluated by a Selection Committee and the City Council of the City of Santa Maria will award the lease to the most responsive and responsible proposer whose consideration, experience and qualifications correspond best with the City's interests. The Proposer will be deemed responsible when, by evaluation of its experience, resources, products, proposed personnel and competence, it is apparent that the Proposer possesses the capability to fully and faithfully execute the terms herein. The City shall be the sole judge of whether or not a Proposer meets this requirement. The City may elect to negotiate with the Proposer(s) determined by the Selection Panel to have best met the City's stated objectives. **The City reserves the right to reject all proposals.**

B. Evaluation Criteria:

Specific criteria have been established to assist the City in the evaluation of the proposals. The Selection Panel may use additional criteria deemed to be significant in choosing the best proposal. The criteria listed below will be used to evaluate all complete proposals meeting the minimum qualifications criteria listed in Section III, Submission Requirements in the context of the City's objectives as set forth in the Introduction. **Total Possible Points: 100**

1. Operating Experience – 20 Points
  - Company history
  - Years of restaurant operation
  - Details of other current operations
  
2. Financial Background and Reference Check – 20 Points
  - Ownership of proposing entity
  - Cash flow and income statement
  - Personal financial statement
  - Credit references
  
3. Financial Projections – 10 Points

- Proforma operating statement
4. Concept and Marketing Plan – 20 Points
    - Business concept
    - Marketing plan
    - Pricing structure
    - Menu
  5. Management and Operations Plan – 20 Points
    - Quality control standards
    - Management experience
    - Proposed staffing
    - Maintenance plan
  6. Labor and Training Practices – 10 Points
    - Recruiting techniques
    - Employee retention
    - Customer service
    - Special training programs

**Exhibit "A"**  
**Sample Lease**  
**CAFÉ LEASE AGREEMENT**  
**CITY OF SANTA MARIA**  
**SANTA MARIA PUBLIC LIBRARY**

This agreement is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between **CITY OF SANTA MARIA MUNICIPAL CORPORATION**, a California municipal corporation, (hereinafter the "City") and \_\_\_\_\_, a California limited liability company, (hereinafter "Concessionaire").

RECITALS:

1. The City owns a building known as the City of Santa Maria Public Library located at 421 South McClelland Street, Santa Maria, CA 93454, (hereinafter "Library"), which is open and available to the residents and visitors of City of Santa Maria for public use; and
2. The City desires to have at the Library food and beverage refreshments available to the users of the Library and members of the community; and
3. Concessionaire desires to sell food and beverage refreshments at the Library; and
4. Concessionaire agrees to conduct said food and beverage refreshment business in a professional manner pursuant to the terms and conditions herein set forth.

**NOW, THEREFORE**, it is agreed:

1. **Description of Concession.** During the term of the lease (hereinafter the "Lease Agreement"), the Concessionaire will be granted the right at the Library, in the location described below, to operate a food and beverage concession business, serving food and beverages to patrons of said Library and members of the community. The menu and pricing is subject to review and approval by the Library Director.

a) Concessionaire hours shall coincide with Library open hours of 9:00 a.m. to 7:00 p.m. Monday through Thursday, 10:00 a.m. to 6 p.m. Friday and Saturday; 1:00 to 5:00 p.m. Sunday. The Library observes seven holiday closures. Any modifications to this schedule will need to be approved in writing by the Library Director.

b) Failure to open, failure to open on time, or early closure (more than 15 minutes later than or earlier than approved hours in Section a above) is a material breach of this lease, giving City the opportunity to terminate this lease for default.

c) The Concessionaire will secure the building when accessing it before and after Library hours, including setting and turning off the alarm system. Failure to secure the building, or failure to set and turn off the alarm system, is a material breach of this lease, giving City the opportunity to terminate this lease for default when the City Librarian is notified of an occurrence by the Police or Fire Department.

2. **Property.** The property hereby leased is the main floor coffee shop/café space located at the Library, 421 South McClelland Street, Santa Maria, CA 93454, (the "Premises"), including exclusive use of the coffee shop (334 square feet), shared use of the lobby janitor closet, and non-exclusive use of lobby eating area and restrooms. The lobby eating area is for consumption of all food whether café purchased or brought from the outside.

3. **Term.** The term of this agreement shall be for a period of one (1) year, unless mutually extended by the Parties. Should Concessionaire remain in possession of the Premises after the cancellation, expiration or sooner termination of the Lease, or any renewal thereof, without the execution of a new Lease or addendum, such holding over in the absence of a written agreement to the contrary shall be deemed, if the City so elects, to have created and be construed to be a tenancy from month to month, terminable upon thirty (30) days' notice by either party.

4. **Rent.** The Base Monthly Rental will be \$450.00. The rental amount is due and payable on the first day of the month payable to the City of Santa Maria Public Library, addressed as follows: Library Administration, 421 S. McClelland Street, Santa Maria, CA 93454. If not received within five (5) days after the due date, Concessionaire shall immediately pay a late charge equal to 5% of delinquent amount in addition to the

monthly charge. Should Library hours increase or decrease during the term of this contract, Café revenues may be reviewed for possible adjustment of monthly rent after a one year period of time operating under the new hours. Rent may be reassessed after one year of business.

a) Security Deposit. Before occupying the Premises, the Concessionaire must make a damage deposit of \$500.00. Concessionaire will leave Premises and all personal property, equipment and fixtures supplied by the City in same or better condition than the “as-is” condition, reasonable wear and tear excepted. The City may use the damage deposit to repair damage or replace any leased property owned by the City. If the security deposit falls below \$500 at any time during this lease, the City shall notify the Concessionaire who shall pay the difference required to reinstate the \$500.

b) Commencement Date. This Lease Agreement shall commence upon execution of this Agreement, and concessionaire shall open for business no later than March 1, 2020.

5. Authorized Use Only. Concessionaire may use the Premises only as authorized by law, for the purposes set out herein. Concessionaire may not sell alcohol, or tobacco products.

6. Payment of Taxes and Other Assessments. Concessionaire shall pay all taxes and other assessments for its business during the term of this Lease Agreement. Concessionaire shall pay all sales or other taxes, including business license tax, assessed on the operation of the concession business.

7. Utility Services. City shall be responsible to provide natural gas, electricity, sewer, water, and waste disposal for the Premises. Concessionaire may enter into Agreements with providers for telephone, cable, and internet service. City shall provide plumbing infrastructure. Concessionaire will operate equipment using electrical outlets provided, taking care not to overload electrical circuits

8. Use of Premises/Catering/Programming. The Premises shall be used only for the purpose of a café/coffee shop, and may not be used for food service or catering services outside of the Library building. The Concessionaire may cater or

provide food service in the Library building as requested by City or private meeting room users.

9. **Licensing.** Concessionaire is responsible for obtaining all necessary licenses for its operation, including a City of Santa Maria business license.

A copy of any and all local, State or Federal permits acquired by the Concessionaire which are required for the use of the Premises shall be kept on site at all times and shall be readily accessible and produced to the City's agents or any local, State, or Federal officials upon demand.

10. **Care and Repair of Premises by Concessionaire.** Concessionaire has inspected the Premises and accepts it "AS IS" and as acceptable for the purpose of this Lease Agreement. The concessionaire will not permit the use of the Premises in violation of any State law or County or municipal ordinance or regulation applicable thereto. Concessionaire may, ***with the advance, written consent*** of the City but at the Concessionaire's own cost and expense and in good workmanlike manner, make such alterations or improvements to the Premises, excluding common areas, as Concessionaire may require for the conduct of its business; without, however, materially altering the basic character of this structure or improvements, or weakening the structure of the Premises. Any permanent alterations or improvements to the Premises shall become the property of the City upon expiration or termination of this Lease Agreement.

Concessionaire shall have sole responsibility for maintaining and repairing all restaurant and kitchen equipment and facilities, including all sinks, microwaves, freezers, and refrigerators. All coffee shop/café equipment that the City owns may be used by the Concessionaire on an "AS IS" basis and the City makes no claim of its condition or life span.

11. **Maintenance.** The City shall be responsible for all structural maintenance of the Premises, including the roof, foundation, structural members, and exterior wall surfaces and interior maintenance, including mechanical and electrical fixtures, lighting fixtures, and glass maintenance (both cleaning and replacement in the event of damage) which is within the exclusive and non-exclusive use areas of Premises or solely serves the Premises. The City shall be responsible for mechanical systems

which serve portions of the building other than, or in addition to the Concessionaire's space, as reasonably necessary to maintain the structure and to service common utility facilities. **For the purpose of providing maintenance or in emergencies, the City shall have the complete and unencumbered right of entry to the Premises at any time. For all other purposes, the City shall have the right of entry upon 24 hours' notice.**

The Concessionaire is responsible for cleaning the café Premises, the lobby tables and chairs, emptying trash, mopping floors and meeting County Health Department requirements.

12. **Access to other space.** Concessionaire shall not interfere with the access to other spaces within the building or obstruct the entrances to those spaces in any way. The City shall have access through Concessionaire's space as reasonably necessary to maintain the structure and to service common utility facilities. The City shall have the right to inspect the Premises at any time, with or without notice.

13. **Signs.** All exterior signs require approval by the City Planning Department and must meet criteria of the City's Sign Code. The City makes no representation that any exterior sign will be allowed.

One or two electronic interior signs and menu boards may be displayed in the café confines and require approval by the City Librarian. Electronic signs must be purchased, connected and programmed at the Concessionaire's expense. No lobby floor signs or handwritten signs are permitted.

14. **Insurance and Indemnity.** See City Insurance Requirements, Exhibit D.

15. **Nondiscrimination.** Concessionaire will not discriminate against any applicant for employment, employee, recipient of any services or benefits provided for in this Lease Agreement on the grounds of race, color, religion, sex (including pregnancy, childbirth, pregnancy-related conditions, breastfeeding, or medical conditions related to breastfeeding), national origin, age (40 or older), disability, genetic information, sexual orientation, gender identity, or protected expressions.

16. **Waiver of Covenants.** It is agreed that the waiver of any of the covenants of this Lease Agreement by either party shall be limited to the particular instance and shall not be deemed to waive any other breaches of such covenant or any provisions herein contained.

17. **Type of Operation.** Concessionaire agrees to maintain and operate the coffee shop/café in a first-class manner and will keep the Premises in a safe, clean, orderly, and inviting condition at all times. All surfaces shall be regularly wiped down and be kept clean including lobby tables and chairs. The coffee shop/café is to be operated as a convenience to the Library patrons; therefore, all food, drinks, beverages, confections, and other items sold or kept for sale at the coffee shop/café will be of high quality. The service will be prompt, sanitary, courteous, and efficient.

18. **Concessionaire's Employees.** During hours of operation, the Concessionaire will agree to retain an active, qualified, competent, and experienced employee at the coffee shop/café to supervise the concession operations. The employee must be authorized to represent and act on behalf of the Concessionaire.

The Concessionaire's employees will be clean, courteous, soft-spoken, efficient, and neat in appearance. The Concessionaire will not continue to employ any person or persons, in or about the Premises who shall fail to meet these qualifications.

19. **Laws, Ordinances, etc.** The Concessionaire will obey all the laws, ordinances, regulations, and rules of the Federal, State, County, and municipal governments which may be applicable to its operations. The Concessionaire will further agree to follow recommendations of the County Board of Health.

20. **Garbage Disposal and Recycling.** The City will provide and the Concessionaire shall use suitable covered receptacles for all garbage, trash, and other refuse on or in connection with the coffee shop/café. Piling of boxes, cartons, barrels, or other similar items in an unsightly or unsafe manner, on or about the Library or surrounding premises, will not be permitted and must be removed daily to a designated dumpster. When public trash receptacles become full, Concessionaire will empty these into designated dumpsters. City shall provide receptacles for recycling and Concessionaire shall dispose of the items appropriately.

21. **Default and Termination.** If the Concessionaire fails to pay rent or breaches a material provision of this lease, this lease may be terminated upon 30 days' notice.

If the Concessionaire is in default, the City may take all action needed to protect its interest in the Premises and personal property leased, to prevent the unauthorized removal of said property or equipment which threatened action would be deemed to constitute irreparable harm and injury to the City in violation of its security interest in said items of personal property.

Furthermore, in the event of default, the City may expressly undertake all reasonable preparations and efforts to release the Premises including, but not limited to, the removal of all inventory, equipment or leasehold improvements of the Concessionaire's, at the Concessionaire's expense, without the need to first procure an order of any court to do so, although obligated in the interim to undertake reasonable steps and procedures to safeguard the value of Concessionaire's property, including the storage of the same, under reasonable terms and conditions at Concessionaire's expense, and, in addition, it is understood that the City may sue the Concessionaire for any damages or past rents due and owing and may undertake all and additional legal remedies then available.

Either party may terminate this Lease Agreement with 60 days written notice to the other for any reason. However, notice may not be given before four (4) months from execution of this Lease Agreement.

22. **Failure to Perform Covenant.** Any failure on the part of either party to this Lease Agreement to perform an obligation hereunder, and any delay in doing an act required hereby shall be excused if such failure or delay is caused by any strike, lockout, governmental restriction, or act of God, or any similar cause beyond control of the parties so failing to perform.

23. **No Assignment or Sublet.** The covenants and agreements contained within this Lease Agreement shall apply to the benefit of and be binding upon the parties hereto and shall not be assigned.

24. **Sublease.** Concessionaire shall not sublease Premises or sell the business.

25. **Paragraph Headings.** The paragraph headings as to the contents of particular paragraphs herein are inset only for convenience and are in no way to be construed as part of such paragraphs or as a limitation in the scope of the particular paragraph to which they refer.

26. **Choice of Law and Venue.** California law shall control the interpretation and enforcement of this agreement, and venue shall be in the Santa Maria Superior Court.

27. **Notices.** All communication relating to the day-to-day activities of this Agreement shall be exchanged between a designated representative of the City and a representative of Concessionaire, listed below. All notices shall be addressed as follows unless a written change is filed with the City:

As to City:

Mary Housel, City Librarian  
421 South McClelland Street  
Santa Maria, CA 93454  
mhousel@cityofsantamaria.org

As to Concessionaire:

If the designated Representative or address of either party changes during the term of this agreement, a written notice shall be given to the other party prior to the effective date of change. Any written notices required under this agreement shall be effective five (5) days after deposit into United States mail, postage prepaid, addressed to the designated Representative, or upon confirmation of receipt of delivery if another notification process is used.

28. **Independent Contractor Relationship.**

A. The parties intend that an independent Concessionaire/City relationship will be created by this Lease Agreement. No agent, employee, or representative of the Concessionaire shall be deemed to be an employee, agent, or representative of the City for any purpose, and the employees of the Concessionaire are not entitled to any of the benefits the City provides for its employees. The Concessionaire will be solely and entirely responsible for its acts and for the acts of its agents, employees, or representatives during the performance of this Lease Agreement.

B. In the performance of the services herein contemplated, the Concessionaire is an independent contractor with the authority to control and direct the performance of the details of the coffee shop/café; however, the service and products contemplated herein must meet the approval of the City and shall be subject to the City's general rights of inspection and review to secure the satisfactory fulfillment thereof.

**29. Severability.**

A. If, for any reason, any part, term, or provision of this Lease Agreement is held by a court of the United States or any State thereof to be illegal, void or unenforceable, the validity of the remaining provisions shall be affected, and the rights and obligations of the parties shall be construed and enforced as if the Lease Agreement did not contain the particular provision held to be invalid.

B. If it should appear that any provision hereof is in conflict with any statutory provision of the State of California, said provision which may conflict therewith, shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform in such statutory provisions.

**30. Entire Agreement.** This Lease Agreement constitutes the entire and only agreement between the parties with respect to this concession and it cannot be altered except by written instrument, signed by both parties.

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease Agreement on the day and year first above-written.

**CONCESSIONAIRE**

**CITY OF SANTA MARIA, a  
California Municipal Corp.**

By: \_\_\_\_\_

Name:

By: \_\_\_\_\_

Name:

Attest:

\_\_\_\_\_

Name:

Approved as to form:

## Exhibit “B”

### Proforma Operating Statement

This is only a “bare bones” example for illustrative purposes. Proposers are encouraged to provide a comprehensive statement as explained in Section VI: Proposal Checklist.

<b>Revenues</b>			
Gross Sales			
Net Sales			
Expense Category	Planned Expense	Actual Expense	Variance
<b>Building Rent / Lease</b>			
<b>Equipment Rent / Lease</b>			
<b>Building/Facilities Modifications Expenses</b>			
<b>Equipment for Modification Expenses</b>			
<b>Product / Material</b>			
Food			
Drinks			
<b>Marketing Expenses</b>			
Advertising			
Other			
<b>Administrative Expenses</b>			
Telephone			
Supplies			
Other			
<b>Sales Expenses</b>			
Telephone			
Vehicle			
Other			
<b>Operating Expenses</b>			
Utilities			
Insurance			
Other			
<b>Salaries</b>			
<b>Benefits</b>			
<b>Miscellaneous</b>			
<b>Taxes</b>			
<b>Total Expenses</b>			
<b>Net Income (Loss)</b>			

## **EXHIBIT "C"**

City will provide the following equipment for the Café.

- Hand Sink
- Single Section Reach-In Refrigerator
- Microwave Oven
- Garbage Bin
- Café Tables (4 large and 3 small)
- Café Chairs (15)
- Espresso Machine
- Three Compartment Sink

Contractor will provide a list of equipment provided at the expenses of Contractor. These will not become fixtures to the premises. At the expiration or termination of the Term, Contractor is entitled to remove and take out the contractor-financed equipment, or to sell the same to the successor.

## EXHIBIT "D"

### INDEMNIFICATION AND INSURANCE REQUIREMENTS

#### INDEMNIFICATION

To the fullest extent permitted by law, the Concessionaire shall indemnify, defend (with independent counsel approved by the City) and hold harmless the City, and its officers, agents and employees from and against all liabilities (including without limitation all claims, losses, damages, penalties, fines, and judgments, associated investigation and administrative expenses, and defense costs, including but not limited to reasonable attorneys' fees, court costs and costs of alternative dispute resolution) regardless of nature or type that arise out of, pertain to, or relate to the negligence, reckless, or willful misconduct of the Concessionaire or the acts or omissions of an employee, agent or representative of the Concessionaire. The provisions of this paragraph survive completion of the services or the termination of this contract. The provisions of this Section are not limited by the provisions of the Section relating to insurance.

#### INSURANCE REQUIREMENTS

Concessionaire shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Concessionaire, his/her agents, representatives, or employees. If the Concessionaire maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or higher limits maintained by the Concessionaire.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), including products and completed operations, property damage, bodily injury and personal & advertising injury.
2. Insurance Services Office Business Auto Coverage Form Number CA 00 01 covering any auto (Code 1), or if Concessionaire has no owned autos, covering hired (Code 8) and non-owned autos (Code 9).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Errors and Omissions liability insurance appropriate to the Concessionaire's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

B. Minimum Limits of Insurance

Concessionaire shall maintain limits no less than:

1. General Liability - \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability - \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation: Statutory limits.
4. Employer's Liability - \$1,000,000 per accident for bodily injury or disease.
5. Errors and Omissions Liability - \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

C. Self-insured Retentions

Self-insured retentions must be declared to and approved by the City. The City may require the Concessionaire to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration and defense expenses within the retention.

D. Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Concessionaire including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Concessionaire's insurance (at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38 **and** CG 20 37 forms if later revisions are used).
2. For any claims related to this project, the Concessionaire's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the Concessionaire's insurance and shall not contribute with it.

3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled or reduced, except with notice **stating the title of this contract** to the City. **All notices provided pursuant to this Agreement shall be given to the City representative listed for notice in this agreement and shall specify the title of this Agreement.** Notice may be given by overnight mail, facsimile with confirmation of receipt, or certified mail with return-receipt requested.
4. Concessionaire hereby grants to City a waiver of any right to subrogation which any insurer of said Concessionaire may acquire against the City by virtue of the payment of any loss under such insurance. Concessionaire agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.
5. If any of the required policies provide claims-made coverage:
  - a. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
  - b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
  - c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Concessionaire must purchase "extended reporting" coverage for a minimum of five (5) years after completion of work.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

F. Verification of Coverage

Concessionaire shall furnish the City with original certificates and amendatory endorsements of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Concessionaire's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

G. Special Risks or Circumstances

The City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.