

# **BOARD OF REGENTS BRIEFING PAPER**

**1. AGENDA ITEM TITLE: University of Nevada, Reno-Food Services Agreement**

**MEETING DATE:** April 12, 2019

**2. BACKGROUND & POLICY CONTEXT OF ISSUE:**

The University of Nevada, Reno recently solicited proposals from industry leaders to provide a high quality and affordable foodservice program. Three (3) proposals were received. All three companies were invited to campus for a day long presentation to the campus community and the review committee. Members of the review committee included the Associate Vice President for Student Life Services, the University Controller, The Executive Director for Residential Life, Housing and Food Services, the Director of the Joe Crowley Student Union, and the Director of Residential Life. The successful vendor, Compass Group USA., Inc., by and through its Chartwells Division, will implement initiatives to best balance the cost of meal plans for students with a quality program; provide a retail program and a catering program that measures and embraces industry changes; and continually look forward to improve customer experiences. Residential dining meal plan rates will continue to be approved by the Board of Regents at the November/December meeting.

**3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

University of Nevada, Reno President Marc Johnson requests Board of Regents' approval for a Food Services Agreement with a 10 year initial term and annual extensions up to a maximum of five (5) years with Compass Group USA., Inc., by and through its Chartwells Division.

**4. IMPETUS (WHY NOW?):**

The current contract expires June 30, 2019 with no renewal option.

**5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:**

- Access (Increase participation in post-secondary education)
- Success (Increase student success)
- Close the Achievement Gap (Close the achievement gap among underserved student populations)
- Workforce (Collaboratively address the challenges of the workforce and industry education needs of Nevada)
- Research (Co-develop solutions to the critical issues facing 21<sup>st</sup> century Nevada and raise the overall research profile)
- Not Applicable to NSHE Strategic Plan Goals

**INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL**

This agreement supports the University's efforts to provide a student-centric dining program that is a visible representation of the academic quality and affordability of the University.

**6. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

Programmatic Expectations:

1. Excellent quality food with ingredients, recipes and fresh preparation methods that support good nutrition and a healthy lifestyle;
2. An innovative portfolio of service concepts that:
  - includes a mix of national, regional and locally owned brands that are popular with the University community;
  - provides a thoughtful mix of service formats designed to satisfy a variety of

- consumer needs, such as “all you care to eat”, fast casual, quick service (“fast food”) and convenience markets;
- offers ordering, payment, delivery and “to go” mechanisms that are responsive to consumer lifestyles.
3. A diversity of food and beverage choices within operations and across the system that:
    - address the broad range of consumer preferences including a broad range cultural option;
    - include entrees and other offerings that address special diet needs such as vegetarian, vegan, low fat, high protein, gluten free, etc.;
    - offer a broad range of healthy choices;
    - makes provisions for kosher/Halal meals at an identified location on campus with use of meal plan swipe.
  4. Hours of service that support student lifestyle needs across campus, including options for students taking evening classes or working internships into evening, involved with sporting events off campus early in the morning and later at night. near the academic buildings as well as late night service in the residential areas.
  5. Pricing to students and other consumers that is competitive with “the street”. Catering pricing that is competitive with off campus caterers and that offers tiers of pricing and service for different event types (high-end to budget), including a service/price tier that is designed to offer an affordable pick-up menu for student groups.
  6. A commitment to offering regularly scheduled special event programming in both retail and residential operations designed to encourage participation and build community.
  7. A meal plan program and policies that:
    - offer multiple, affordable weekly plan configurations for resident students;
    - continues Wolfbucks and the SwipeOut program for additional meal plan flexibility;
    - are usable, through provision of meal equivalency;
    - offer plan configurations for non-residents that are flexible, affordable and aggressively marketed.
  8. Merchandising and food presentation that showcases the products offered and offers strong eye appeal;
  9. An intentional and committed approach to staffing that results in:
    - staffing levels that are matched to customer demand so that service is fast and efficient;
    - friendly, courteous, knowledgeable and professional employees that receive regular and comprehensive training in both technical and customer service skills;
    - staff who reflect the diversity of the student body.

Financial Return:

- \$26 million in Capital Investment Funds over the 10 year contract including major renovations to the Downunder Café and the Overlook;

- Estimated \$16.5 million over the ten year contract in commissions from residential dining meal plans;
- Estimated \$9.3 million from retail/catering sales;
- \$2 million signing bonus;
- \$15,000 for student scholarships annually;
- \$15,000 for Pack Provisions (on campus food pantry) annually;
- \$150,000 Discretionary Donation annually;
- \$25,000 Student Catering Fund annually;
- \$20,000 Presidential/Special Events Catering Fund annually;
- \$20,000 Land Grant Research Fund annually;
- \$154,000 to employ six(6) student interns annually;
- The total financial return is a significant increase from the current contract.

**7. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

None noted at this time

**8. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

Reconsider next highest scoring vendor risking a July 1, 2019 contract beginning date.

**9. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:**

**10. COMPLIANCE WITH BOARD POLICY:**

- Consistent With Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Amends Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Amends Current Procedures & Guidelines Manual: Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Other: \_\_\_\_\_
- Fiscal Impact: Yes \_\_\_\_\_ No X \_\_\_\_\_  
 Explain: The Food Service agreement will result in increase of funds to the University.

FOOD SERVICES AGREEMENT

BY AND BETWEEN

The Board of Regents for the Nevada System of Higher  
Education, on behalf of the  
University of Nevada, Reno

AND

Compass Group USA., Inc.,  
by and through its Chartwells Division

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## FOOD SERVICE AGREEMENT

This Food Service Agreement (“Agreement”) is made and entered into effective as of the 1<sup>st</sup> day of July, 2019 (“Effective Date”) by and between the Board of Regents of the Nevada System of Higher Education (NSHE) on behalf of the University of Nevada, Reno (“University” or “UNR”), and Compass Group USA, Inc. , by and through its Chartwells Division (“Vendor” or “Contractor”), a Delaware corporation, an independent contractor, having its principal place of business at 2400 Yorkmont Road, Charlotte, North Carolina 28217, who agree as follows:

### ARTICLE I

#### PURPOSE OF THIS AGREEMENT; CONTRACTOR’S DUTIES

- 1.1 Purpose of Agreement. This Agreement sets forth the terms and conditions upon which University agrees that Vendor shall manage and operate the Dining Program at the University of Nevada, for UNR’s students, faculty, staff, visitors, and invited guests.
- 1.2 Relationship; Contractor’s Duties. Vendor is an independent contractor and agrees to operate and manage the University’s Dining Services Program as provided herein. Pursuant to the terms of this Agreement, UNR has the authority to make, and shall make, available portions of its facilities and the Premises to Vendor for Vendor’s daily operation of the Dining Services Program.
- 1.3 Vendor’s Work. The Vendor shall operate a Dining Services Program on a Profit and Loss Basis, as defined in Section 15.1 herein, in accordance with this Agreement. The Vendor shall provide, in accordance with the terms and conditions of this Agreement, all the management, personnel, food products, supplies, equipment (excluding equipment furnished by University), materials, technical support, training, systems (excluding systems provided by University), and effort necessary for the management of Dining Services Program functions, at a level of quality specified in this Agreement. The Vendor shall be responsible for food purchase and production, quality control, human resources management (hiring, training, development, dismissal, etc., of its own employees), financial, and technical management of the Dining Services Program. University shall have the right to designate its own appropriate staff to work proactively and in liaison with Vendor to ensure full compliance with all terms and provisions of the Agreement.

## ARTICLE II DEFINITIONS

- 2.1 Academic Term. A semester.
- 2.2 Academic Year. July 1st through June 30th.
- 2.3 Accounting Period. An accounting period is one (1) calendar month within a fiscal year of July 1 through June 30.
- 2.4 Amortization. A method of allocating the cost of Vendor's investments in equipment, labor, and construction for approved University Dining Services Program capital projects over the amortization period specified in the Agreement.
- 2.5 Board. The Board of Regents of the Nevada System of Higher Education.
- 2.6 Branded Concepts. Those locally, nationally or regionally known concepts incorporated into the account and operated by Vendor through local, national, and regional third-party license agreements, franchise agreements, or subcontractor agreements. Vendor's internally developed brands shall not be considered to be Branded Concepts.
- 2.7 Capital Equipment. Equipment, fixture and furnishings that have a normal useful life of 1 year or more years and an acquisition cost of \$5,000 or more.
- 2.8 Cash Sales. All revenue generated by the cash, credit card, debit card, branded restaurant gift cards, and/or personal check sales in any outlet less any sales taxes.
- 2.9 Catering. Specifically ordered food and beverage that is prepared, delivered/picked up, and served to a collective group of people outside the normal confines of residential dining services, summer conference/camp service, and/or concessions service. This may be on campus or off campus.
- 2.10 Charge. A fee established by Vendor for goods or services provided by Vendor.
- 2.11 Client. The University of Nevada, Reno.
- 2.12 Client Commissions. The fixed or percentage amounts paid to University by Vendor in accordance with the Agreement.
- 2.13 Contract Administrator. University's on-site authorized representative responsible for day-to-day management of the Agreement and/or his or her designee(s) for various aspects of the Dining Services Program.
- 2.14 Convenience Store. A small retail shop that sells a range of everyday items such as groceries, snack foods, candy, toiletries, and soft drinks, with a retail pricing structure.

- 2.15 Dining Services Program. Vendor's preparation, service, and sale of food, beverages, goods, merchandise, and other items at the University. Dining Services Program shall include operation of the following:
- Residential Dining (for Residents and other occasional customers)
  - Retail Dining Operations (Vendor Brands and/or National/Regional Brands)
  - Retail Convenience Store Operations
  - Catering Services
  - Summer Camp/Conference Dining
- 2.16 Electronic Access System. A computer based, ID accessed, declining balance system for the management of individual dining service accounts.
- 2.17 Fiscal Year. University's fiscal year, which is a period of twelve (12) consecutive months from July 1 through June 30.
- 2.18 Food Bucks. A sum of money charged to a customer as part of a Meal Plan and held in an individual account for the customer's use on a per purchase basis at either an all-you-care-to-eat "door price" residential dining operation, branded or non-branded retail dining venue, convenience store, or other a la carte operation.
- 2.19 Furnishings. Includes all of the furniture and fixtures (improvements to the space such as draperies, wall treatments, and light fixtures) within the Premises assigned to Vendor.
- 2.20 Gross Sales. All moneys received for sales or services provided under this Agreement rendered at or from the Premises, including sales tax.
- 2.21 Meal Plan. A set number of meals that can be consumed in a given period of time under certain conditions for a set price, and that are available to customers living on and off campus.
- 2.22 Mutual Agreement. Joint agreement between University and Vendor as to the particular question involved.
- 2.23 Net Sales. All sales of food, beverages, goods, merchandise, and services in the Dining Services Program, net of sales taxes.
- 2.24 Operating Expenses. All expenses associated with the Food Service operation, as categorized in Section 15.1.
- 2.25 Payroll Tax & Benefits. Includes all payroll taxes (FICA, FUTA, State Unemployment and State Health Insurance), social insurance (i.e. workers' compensation insurance, welfare or pension plan payments), accident and health insurance premiums and the cost of employee instruction and education, employees' parties, and employee meals.
- 2.26 Periodic. The term periodic shall mean on a regularly recurring basis (i.e. monthly, weekly, quarterly, annually) as determined and agreed to either in the RFP or proposal or mutually agreed to following the Agreement signing.



- 2.27 Point-of-Sale. A computer-based system to 1) accept payment for Dining Services Program purchases, and 2) provide an ID accessed, declining balance system for the management of individual dining service accounts.
- 2.28 Premises. All areas on the campus as designated by University for use in the preparation, sale, service, and storage of food and related supplies.
- 2.29 Premium Meals. An “upscale” meal, more than the daily fare, designed to alter the general routine of the Dining Services Program and which specifically includes at least one (1) choice of a more costly entrée item than is normally on the daily menus.
- 2.30 Pre-Opening/Transition Expenses. Costs, charges, and expenses related to the opening of the Food Service operation, immediately prior and/or during the first semester of the contract, only as pre-approved by University.
- 2.31 Proceeds. The excess of Net Sales less Vendor’s Operating Expenses.
- 2.32 Residential Dining. A dining service program offered to resident and non-resident customers {i.e. students, faculty, and Staff} for a fixed number of meals at a set price for which customers are charged at the beginning of an academic term or otherwise make an advance purchase. Each eligible customer must enter into a meal plan contract with University. Residential Dining also includes meals served to guests who do not redeem a meal plan swipe, on a casual meal or door rate basis.
- 2.33 Residential Dining Customer. A University student, faculty member or staff member who contracts with University for a contracted meal plan, or a guest who does not redeem a meal plan swipe but who is charged on a casual meal or door rate basis. The general public shall not be considered a Residential Dining Customer, except for customers who pay a casual meal or door rate.
- 2.34 Retail Operations. Snack bars, food carts, quick service outlets, food trucks, bake shops, delis, coffee shops and kiosks, and convenience/variety stores that sell items on an a la carte basis.
- 2.35 Shall. Shall and will are used interchangeably meaning an obligation to perform.
- 2.36 Smallwares. Items used in the serving of food and beverages such as chinaware, glassware, flatware, and service ware, as well as items used in the preparation of food such as pots, pans and kitchen utensils.
- 2.37 State. The State of Nevada.
- 2.38 Subject to the Approval of NSHE. This phrase means that NSHE has final authority to make decisions on questions that arise during performance of the Agreement resulting from the RFP process on behalf of the University of Nevada, Reno such authority to be exercised reasonably and without unreasonable delay or condition.
- 2.39 University. The University of Nevada, Reno.

- 2.40 University Paid Expenses. Dining Services Program expenses paid for by University.
- 2.41 Utilities. All costs including electricity, gas, heat, water, sewer, trash, recycling, phone, cable and internet.
- 2.42 Vendor Brands. Vendors' own in-house brands incorporated into University's Dining Services Program.
- 2.43 Will. Will and shall are used interchangeably meaning an obligation to perform.
- 2.44 Year. A year is defined as one (1) twelve (12) month period beginning on July 1 and ending on June 30.

## ARTICLE III TERM, TERMINATION, AND SERVICES

### 3.1 Term and Termination.

3.1.1 The term of this Agreement commences on the Effective Date of July 1, 2019 and continues through June 30, 2029 (“Initial Term”) unless terminated by either party as hereinafter provided. This Agreement may be extended for up to five (5) additional one (1) year terms upon written mutual agreement by University and Vendor prior to January 1, 2029.

3.1.2 This Agreement may be canceled by University or Vendor at any time, with or without cause, upon ninety (90) calendar days written notice by University to Vendor and one hundred twenty (120) calendar days written notice by Vendor to University. In addition, Vendor’s specified date for termination shall be June 30<sup>th</sup> of the contract year immediately following Vendor’s 120 day Vendor’s notice to terminate. For example, if Vendor provides notice on October 31, 2023, termination would be effective June 30, 2024. In the event of such a cancellation, Vendor shall be entitled to payment, determined on a pro rata basis, for work or services satisfactorily performed. In the event that Vendor gives notice under this section that it proposes to cancel the Agreement, University shall use its best efforts to secure an agreement with a new vendor whose services will commence immediately after Vendor’s cancellation becomes effective. If, however, University is not able to do so, Vendor shall continue providing the Dining Services Program pursuant to the terms and conditions of this Agreement, and any addenda/amendments thereto, until an agreement with a new food service vendor becomes effective. University will not unreasonably delay in securing the services of a new vendor in the event of Vendor’s cancellation. It is further agreed that in the event University requires Vendor to continue providing the Dining Services Program after expiration or termination of this Agreement, and notwithstanding the provisions of Section 15.1, University and Vendor shall agree in advance, as a condition precedent for such continued service, upon those amounts to be reimbursed to Vendor for continued service during such period, it being understood that Vendor shall provide University with an advance projection of anticipated, but not guaranteed, operating losses.

3.1.3 Termination for Insufficient Funding. University may immediately terminate this Agreement if it does not obtain funding from the Nevada Legislature or other funding source, or if funding cannot be continued at a level sufficient to allow for the payment of services covered herein. Termination must be by written notice to Vendor within a reasonable time of University receiving notice that sufficient funding is not available. In the event no funds or insufficient funds are appropriated and budgeted or are otherwise unavailable in any fiscal period for payments due under this Agreement, then this Agreement shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to [NSHE, UNIVERSITY] of any kind whatsoever. University is not obligated to pay for any services that are provided after the effective date of termination as set forth in the notice. However, Vendor will be entitled to payment, determined on a pro rata basis, for work or services satisfactorily

performed to the extent that funds are available. University will not be assessed any penalty if the Agreement is terminated because of the decision of the Nevada Legislature or other funding source not to appropriate funds. Notwithstanding any other provision of this Section, University is responsible for payment for services through the date Vendor receives notice of termination or the effective termination date, whichever is later, as well as for repayment of the unamortized portion of Vendor Capital Investments described below.

- 3.1.4 If either party breaches a provision of the Agreement (hereafter "Cause"), the non-breaching party may give the other party written notice of such Cause or breach. If the Cause or breach is remedied to the satisfaction of the non-breaching party within thirty (30) calendar days the notice shall be null and void. If such Cause is not remedied to the satisfaction of the non-breaching party within the specified period, the party giving notice shall have the right to terminate this Agreement upon expiration of such remedy period noted in this subparagraph.
- 3.1.5 Notwithstanding any other provisions of this paragraph to the contrary, either party shall be under a duty to immediately remedy a breach of this Agreement that poses a health or safety issue. If either party determines that a breach is a danger to the health and safety to any of the parties or their employees, customers, or invitees, it shall so notify the breaching party in writing and the breaching party shall respond immediately, which shall mean that the party must use all diligence reasonably possible under the circumstances. If the breaching party does not respond promptly and appropriately to the written demand, the demanding party may take immediate action to remedy the problem and submit the cost to resolve the problem to the breaching party for reimbursement within fourteen (14) University business days. If the breaching party fails to make the reimbursement to the demanding party within thirty (30) University business days, the demanding party may proceed to terminate this Agreement for Cause as provided for in this section.
- 3.1.6 If this Agreement is terminated by either party, all outstanding amounts owed Vendor by University, or University by Vendor, shall become due and payable within forty-five (45) calendar days of the termination date.
- 3.2 Services. The following services shall be provided by Vendor, collectively referred to in this Agreement as the "Dining Services Program".
  - 3.2.1 Residential Dining: Vendor shall have exclusive rights to manage and operate Residential Dining services at the Premises, and at any new or relocated Residential Dining locations at the University campus excluding the student union and all athletic facilities-operations.
  - 3.2.2 Retail Dining: Vendor shall have exclusive rights to manage and operate Retail Dining services, at the Premises, and at any new or relocated Retail Dining locations at the University campus excluding the student union and all athletic facilities-operations.
  - 3.2.3 Catering Services.

- 3.2.3.1 Vendor shall have non-exclusive rights to manage and operate Catering Services at the Premises, and at any new or relocated Catering Services locations at the University campus excluding athletic facilities-operations.
- 3.2.3.2 Exceptions to the exclusive provision are as follows:
  - 3.2.3.2.1 Ethnic food events, occasional bake sales, pot lucks, fund raisers, and other events sponsored by University approved registered student organizations. Most of these events will likely occur in the student union. Groups having approval to sell food and beverages shall be encouraged to consider purchasing products from Campus Catering or Student Union retail tenants as well as Vendor.
  - 3.2.3.2.2 Informal office potlucks where no money is exchanged and where homemade food is provided by group members and consumed by group members.
- 3.2.3.3 Vendor has the right to utilize its assigned Premises to cater non-University events held off campus, provided it does not conflict with the performance of this contract. The University shall have the right to determine in its sole discretion whether the Vendor's catering of a non-University event held off campus is in conflict with the performance of this contract. Vendor shall notify University of such events in writing no less than ten (10) business days prior to the event. Such events shall be commissionable to the University at the same rates as for on-campus events.
- 3.2.4 Vendor shall have exclusive rights to manage and operate Summer Camp/Conferences Food Service at the Premises, and at any new or relocated Summer Camp/Conferences locations at the University campus (outside of Athletics)
- 3.2.5 Vendor shall provide the necessary services, functions, and responsibilities that are not specifically retained by University.
- 3.3 Additional Services. Over the term of the Agreement, the University and Vendor may mutually agree upon other services and/or service locations as necessary. Any additional services or service locations shall first be memorialized by a written amendment signed by all the parties.
- 3.4 Service Exclusions. The following services are separately bid; they may be operated by other companies or the Vendor.
  - 3.4.1 Retail Dining Outlets in the Joe Crowley Student Union, including convenience stores;
  - 3.4.2 Athletic Concessions Food Service and adjoining grounds;
  - 3.4.3 Lawlor Events Center and adjoining grounds;
  - 3.4.3 Vending Services.
  - 3.4.4 Store location in Great Basin Hall.
- 3.5 Service Prohibitions. Vendor may not use University's Premises for any purpose related to

fulfillment of other contracts of Vendor, except as specifically agreed to by University, in writing, and with financial compensation that is acceptable to University.

- 3.6 Transition Plan. The Transition Plan submitted in the Vendor proposal shall serve as the guideline for the successful Vendor to assume management of the Dining Services Program and for the successful transition/opening of the University's Food Service operations on July 1, 2019. The Transition Plan shall be subject to review and approval of the University's Contract Administrator who shall retain the authority to make alterations to the plan as deemed necessary to ensure a smooth transition to the start of operations. The Vendor will provide all necessary professional coordination services for implementation of the Transition Plan at its own cost and expense. The Vendor shall attend meetings as required by University to ensure a smooth transition into both summer conference and food dining operations.
- 3.7 University Use of Vendor's Premises. University shall have and maintain the right to use Vendor's assigned Premises for its various purposes as required, excluding food storage and food preparation facilities. This includes (but is not limited to) registration of students, testing, dances, conferences, and events. The University will provide to Vendor a reasonable advance notice of such events and shall return the locations to the condition in which received.
- 3.8 Correction of Errors, Defects and Omissions. The Vendor agrees to perform work as may be necessary to correct errors, defects, and omissions in the services required under this contract, without undue delays and without cost to the University. The acceptance of the work set forth herein by the University shall not relieve the Vendor of the responsibility of subsequent correction of such errors.

## **ARTICLE IV EMPLOYEES**

- 4.1 Management and Personnel. Vendor shall adhere to the following requirements regarding its management and non-management personnel.
- 4.1.1 All management and non-management employees that work in the University's Dining Services Program shall be Vendor's and/or Vendor's subcontractor's employees, not University employees. It shall be Vendor's responsibility to inform all of its employees that they are clearly Vendor employees, and not employees of University.
- 4.1.2 Vendor shall employ an On-Site Management Team consisting of the following required positions:
- 4.1.2.1 General Manager (hereinafter "GM")
  - 4.1.2.2 Executive Chef
  - 4.1.2.3 Director of Operations
  - 4.1.2.4 Residential Dining Operations Manager
  - 4.1.2.5 Director of Catering
  - 4.1.2.6 Director of Marketing
  - 4.1.2.7 Retail Dining Operations Manager
  - 4.1.2.8 Student Development and Training Manager
  - 4.1.2.9 Registered Dietitian
- 4.1.3 Each position of the On-Site Management Team shall be responsible for the Food Service Program as specified in this contract. Each On-Site Management Team member must have a minimum of five (5) years consecutive employment in similar food service operations (high volume and multi-unit operations) with comparable management and financial responsibilities. Each On-Site Management Team member's sole responsibility will be the University's Dining Services Program and he/she will have no other management or supervisory responsibility for other operations or businesses of the Vendor. Any exception to this is at the sole discretion of University and must be approved in writing by University. Additional requirements shall include:
- 4.1.3.1 Executive Chef will have extensive, formal culinary training, including culinary certifications from an accredited culinary arts program or through the American Culinary Foundation, with particular emphasis on recipe development, menu development, food cost control and inventory management.
  - 4.1.3.2 Catering Manager will have extensive, formal training in Catering Services, with particular emphasis on customer service, event planning and presentation, and event management.
  - 4.1.3.3 Marketing Manager will have extensive, formal training in marketing and promotions techniques.
- 4.1.4 Vendor shall employ one full-time, on-site Manager/Coordinator having a minimum of three (3) years consecutive employment in office management, including accounting, bookkeeping and financial reporting with comparable responsibilities, preferably in similar

food service operations. The Business Manager/Coordinator shall be fully trained in Vendor's accounting/bookkeeping systems and shall be required to work closely with the University's Contract Administrator on reconciliations, implementation and monitoring of financial controls and financial reporting. Additionally, the Business Manager/Coordinator shall be fully conversant with Vendor's management information system, having the ability to generate a wide range of operational and management reports from the system. The Business Manager/Coordinator's sole responsibility will be the University's Dining Services Program and he/she will have no other management or supervisory responsibility for other operations or businesses of the Vendor. Any exception to this is at the sole discretion of University and must be approved in writing by University.

- 4.1.5 On-Site Management Team assigned to the University's Dining Services Program shall be selected with prior approval of University. University reserves the right to interview and review the qualifications of the individuals that the Vendor proposes for these positions at any time during the contract period. The University may withhold approval of one or more of the individuals proposed, in which case the Vendor is required to submit other candidates (such approval shall not be unreasonably withheld by University). In no case shall Vendor initiate a transfer of a member of the On-Site Management Team more than once every three years unless mutually agreed, although University agrees that Vendor's management employees shall be permitted to and Vendor shall not discourage them from responding to an open position. In no case shall a member of the On-Site Management Team be reassigned from the University with less than ninety (90) days advance notice and replacement selection made which is acceptable to and mutually agreed to by the University. On-Site Management Team positions shall not remain unfilled. During any such search period, should the GM position remain unfilled on site for more than a period of three weeks, Vendor shall be required to provide the University with an interim on-site manager with GM experience until such time as the appointed GM arrives on campus to assume his or her duties. Should any management position be vacant for more than ninety (90) days, Vendor shall make a payment to the University equal to the manager's wages beginning day ninety-one (91) until the vacancy is filled. This section shall not limit the right of a Management Team member to resign or the right of the Vendor to end the employment relationship.
- 4.1.6 All members of Vendor's On-Site Management Team shall be formally trained by Vendor in diversity and multicultural awareness. Additionally, the On-Site Management Team may be required to participate in the University's diversity training sessions.
- 4.1.7 Vendor will recruit, hire, employ, train, supervise, direct, discipline, and, if necessary, discharge any and all personnel working in the Dining Services Program. The Vendor shall have adequately trained personnel to maintain the high quality of food service required by University. Vendor shall ensure that critical positions (those that are necessary to open and operate dining operations) will have adequate back-up employees to call in to cover for absenteeism.
- 4.1.8 Vendor shall maintain an adequate staff of executive managers, assistant/operational managers and employees on duty to provide an excellent level of service with regard to University's Dining Services Program, and shall provide such expertise (administrative, dietetic, purchasing, human resources, multicultural competency and so forth) as



needed. University shall have the right to review staffing patterns and job schedules, and to require Vendor to alter same to ensure adequate staffing.

- 4.1.9 University requires that all active, qualified non-management employees of the previous Vendor be hired for a similar position at their current wage rate and comparable or better benefits, provided they are eligible for hire by Vendor in accordance with Vendor's criminal history and background check requirements, including eVerify. Employees of the out-going Vendor who are hired by Vendor may be placed on a probation of no less than ninety (90) days, which may or may not include a Performance Improvement Plan established by the Vendor to allow Vendor to evaluate work performance. All healthcare and/or health insurance benefits must be effective the first day of employment. The Vendor shall honor the accrued seniority for all employees. Notwithstanding the provisions herein, Vendor shall have the right to terminate any of Vendor's employees at any time for cause.
- 4.1.10 Vendor shall consider University's employee policies and practices when establishing policies and practices for Vendor employees.
- 4.1.11 Vendor shall not, without University's prior approval, make any substantial change in wages, fringe benefits or working conditions of non-management Food Service employees, unless required by applicable law, regulation, ordinance or court order.
- 4.1.12 Vendor shall be required to develop and implement a high quality, proactive student employee hiring and retention program. Student retention program shall include specialized training and advancement opportunities. Vendor agrees to adhere to University employment practices whenever feasible. Vendor shall be responsible for all student employment forms and insurance, including but not limited to, any workers' compensation or other liability claims resulting from work-related injuries to students who are employed by Vendor.  
Vendor shall comply with all federal regulations related to employment and compensation of personnel including those pertaining to federal and state employment taxes (including any and all social security, unemployment taxes, and workers' compensation payments).
- 4.1.13 Vendor shall require all employees to meet the appropriate health standards prescribed by applicable municipal, state, and federal laws and regulations. The Vendor represents that all services provided hereunder shall comply with the Occupational Safety and Health Act, as may be amended and including all regulations adopted pursuant thereto and in effect at the University dining facility of performance of service.
- 4.1.14 To the extent permitted by law, the Vendor shall ensure that any employee that reports to work ill shall be sent home and not allowed to resume work until fully recovered. To the extent permitted by law, when informed that an employee of Vendor has a condition which reveals the existence of an illness or communicable disease or other condition which could affect the safe, sanitary, or healthful operation of the Dining Services Program, Vendor will ensure that said employee has undergone, by a licensed physician, an examination which would either verify or contradict the existence of the condition. To the extent permitted by law, if such condition is verified, Vendor will not utilize the services of said employee at University's Premises until the condition of that employee

returns to a healthful status as indicated in writing and signed by the physician.

- 4.1.15 Vendor agrees that all employees will be dressed in neat-appearing uniforms with name tags that, at a minimum, identify the first name of the employee. Vendor will ensure that its employees wear proper, safe and neat-appearing footwear while working on campus. Employees of the Vendor shall be appropriately uniformed when performing their work assignments. The term appropriate uniform is interpreted to include all apparel, name tags, hats, hair nets, etc. The Vendor must submit samples of uniforms and other apparel of all service personnel for approval by University. Cost of Vendor's employee uniforms will be borne by the Vendor.
  - 4.1.16 Vendor will issue photo identification badges to all of its employees, at Vendor expense. Vendor shall provide University with a list of its employees and shall keep this list updated at all times.
  - 4.1.17 University, at its option, may provide University identification badges to some or all of Vendor's management staff. In this case, Vendor is responsible for notifying the University immediately when an employee terminates employment or loses his/her badge.
  - 4.1.18 Vendor shall require all employees to utilize authorized and designated entrances and exits during working hours.
  - 4.1.19 Vendor will restrict employees to assigned spaces during working hours and require them, when not working, to vacate Premises associated with the Dining Services Program.
  - 4.1.20 Vendor shall assure that the GM, manager, or a supervisor will be on site during all hours the Dining Services Program is in operation, including catering services.
  - 4.1.21 Vendor shall bear complete financial responsibility for any vandalism or loss due to negligence or willful misconduct on the part of its employees.
  - 4.1.22 Vendor shall ensure that all Vendor employees adhere to University's smoking, alcohol and drug policies.
  - 4.1.23 Vendor shall immediately notify University in writing of impending labor, employee, and vendor problems or any other circumstances that could adversely affect the operation of the Dining Services Program.
  - 4.1.24 Vendor shall continue to provide services under the contract in the event of strikes and other labor disturbances.
- 4.2 Personnel Obligations. Each party hereto shall be solely responsible for all personnel actions regarding employees on its respective payroll. Each party shall withhold or pay all applicable federal, state and local employment taxes and payroll insurance with respect to its employees, insurance premiums, and contributions to benefit and deferred compensation plans, licensing fees and workers' compensation costs and shall file all required documents and forms.

#### 4.3 Employment Screening and Employee Removal.

4.3.1 Vendor shall ensure that each newly hired Vendor employee assigned to the Dining Services Program is subject to appropriate pre-employment background checks, with criteria to be agreed upon by the parties. In the event an applicant for employment with Vendor has been convicted of a felony criminal offense, Vendor shall consider the following non-exhaustive list of factors in determining whether or not to offer employment to such applicant: (i) the nature and gravity of the offense or offenses; (ii) the time that has passed since the conviction and/or completion of the sentence, and (iii) the nature of the job held or sought, and (iv) the age of the applicant at the time of the offense.

Any Vendor employee who has been convicted of a sex crime as defined by NRS 179D.410 or a crime against a child as defined in NRS 179D.210 shall register with the University of Nevada Police Services within 48 hours after arriving on University property and shall comply with all requirements of University Administrative Manual Section 7,003 as set forth here: <https://www.unr.edu/administrative-manual/7000-7999-miscellaneous/7003-policy-on-registered-sex-offenders>. University will notify Vendor of any changes to such policy. Vendor will not be required to adhere to revised policies until it has received such notice.

4.3.2 Intentionally omitted.

4.3.3 All Vendor employed personnel shall be subject to University policies, rules, codes of conduct and regulations in effect for all University employees while working on campus, as outlined in University's Administrative Manual and/or Nevada System of Higher Education (NSHE) Handbook, including personal behavior and the use of University property. In the event of University disapproval of the conduct or behavior of any employees, the University shall inform the Vendor. An offending employee of the Vendor shall be removed from employment in the University's Dining Services Program immediately upon the receipt of a written request from University. Notwithstanding the foregoing, Vendor shall not be required to remove any employee at the request of University if, in Vendor's reasonable opinion, compliance with any such request by University would cause Vendor to violate applicable employment laws, employment contracts, or collective bargaining agreements. Vendor agrees to provide University with a written statement of Vendor's reasons for non-removal of such employees.

4.3.2 Vendor shall hold harmless and indemnify the University from any liability or expense arising out of Vendor's negligent failure to carry out the obligations assumed under Sections 4.3.1, 4.3.2, and 4.3.3 of this Agreement, including defense and indemnification of third party claims; provided, however, that nothing herein shall require Vendor to indemnify the University for any liability solely caused by the University's negligent acts or omissions.

4.3.3 Nothing in these sections shall be interpreted to preclude University Police Services or other law enforcement officials from taking such emergency action relative to conduct by a Vendor employee or agent who poses an immediate threat to safety or welfare of members of the University community or its property.

#### 4.4 Employee Training.

4.4.1 Vendor shall ensure that all Vendor managers and non-management employees participate in instruction and training for proper behavior and expectations regarding:

- 4.4.1.1 Diversity and multicultural awareness, knowledge and skills;
- 4.4.1.2 Customer service standards of excellence;
- 4.4.1.3 Food preparation methods, including handling known allergen inducing foods;
- 4.4.1.4 Food safety;
- 4.4.1.5 Blood borne pathogens;
- 4.4.1.6 Sanitation standards;
- 4.4.1.7 Dress and identification;
- 4.4.1.8 Personal habits and hygiene;
- 4.4.1.9 Cleaning and sanitation procedures;
- 4.4.1.10 Life safety;
- 4.4.1.11 Equipment operation;
- 4.4.1.12 University protocol for addressing bias incidents;
- 4.4.1.13 University sexual harassment, Violence Against Women Act, and discrimination/Title IX policies (such training should consist of allowing Vendor associates to participate in training offered by University,;
- 4.4.1.14 Conduct when working with minors, including the University's Policy on the Protection of Children set forth in Section 7,003 of the University Administrative Manual: <https://www.unr.edu/administrative-manual/7000-7999-miscellaneous/7003-policy-on-registered-sex-offenders>. University will notify Vendor of any changes to such policy. Vendor will not be required to adhere to revised policies until it has received such notice.
- 4.4.1.15 Emergency preparedness;
- 4.4.1.16 Premise-specific policies (e.g. – access).

Regularly scheduled training meetings shall be conducted no less than annually during the academic year by Vendor at its own expense. Vendor shall also conduct periodic in-unit trainings as part of its daily pre-service, weekly trainings and monthly CHATS, it being understood that these sessions provide training to associates in attendance, and not all associates attend all such meetings. For all new hires, Vendor will provide initial training as necessary, covering the types of tasks performed in the assignment(s) covered by the new employee.

4.4.2 For events or dining operations where alcoholic beverages are served by Vendor employees, such Vendor employees will be trained in the service of alcohol and certified according to Nevada State requirements and in compliance with Board policy, if applicable. Upon University request, the Vendor shall provide University with proof of relevant employees' certification. The Vendor and its employees serving alcoholic beverages shall comply with the following:

- 4.4.2.1 Alcoholic beverages shall be stored only in University approved securable storage;

4.4.2.2 Any selected Vendor employee serving alcoholic beverages at licensed premises shall be in compliance with Nevada Law.

4.4.2.3 Vendor employees serving alcoholic beverages shall record sales of alcoholic beverages separately from food and non-alcoholic beverage items.

All serving of alcoholic beverages shall be done in accordance with University policies and all applicable Nevada State and municipal law, including restricting access to alcoholic beverages by persons under the age to consume and by those who are actually or apparently intoxicated.

4.5 District Support Personnel. All District level support personnel assigned to University that are not part of the agreed to On-Site Management Team shall be paid as a Vendor Overhead Expense, as per the terms of Section 15.4.

## ARTICLE V GENERAL OPERATING PROVISIONS

- 5.1 Premises, Capital Equipment, and Furnishings.
- 5.1.1 University shall furnish at its expense, the Premises, Capital Equipment, and Furnishings owned by University including, but not limited to, kitchen equipment, servery equipment, initial smallwares, storage equipment, fire extinguishing equipment, and dining room tables and chairs.
- 5.1.2 The Premises, Capital Equipment, and Furnishings provided by University shall comply with all applicable building, sanitation, safety and health laws, ordinances, rules and regulations, including the federal Occupational Safety and Health Act of 1970, as amended, or applicable state act and the standards promulgated there under. University agrees to be responsible for its acts or the results thereof arising solely from its breach of the aforementioned obligations, provided Vendor, its employees or agents, shall not have caused such breach. University further agrees that any modifications or alterations to the workplace or the Premises (whether structural or non-structural) necessary to comply with any statute or governmental regulation shall be the responsibility of University and shall be at University's expense unless the need for such modification or alteration is caused by misuse or negligent actions of a Vendor's employee, in which case the cost will be the responsibility of the Vendor. This section shall survive termination of this Agreement. Vendor shall take reasonable and proper care of University's property.
- 5.1.3 Vendor shall, with respect to its own property and at no cost to University, make all repairs, alterations, modifications, and replacements necessary to correct any violations of any applicable building, sanitation, health, or safety law, rule or regulation.
- 5.1.4 All Vendor proposed facility renovation or new construction, equipment installation, and/or other capital improvements or alterations require advance University notice, with such approval at the sole discretion of University. Prior to review of the request, Vendor shall provide to the University and system office design and construction documents of the work prepared by a licensed architect and/or engineer qualified within the state of Nevada. All work undertaken by Vendor shall require adherence with Prevailing Wage laws and related reporting obligations. Vendor shall be required to provide University with accurate capital budgets, impact on operating budgets, timelines, and conform to the design and construction standards as outlined in the Facilities Design Standards Manual by the University of Nevada, Reno Facilities Services Department and State of Nevada State Public Works Division. Any modifications or renovation of the Premises must be at the approval of the University and at an agreed-upon time. Construction and improvement projects funded with the Vendor Capital Investments will be managed by Vendor's affiliate, Novus, it being understood that Novus Group will be expected to adhere to University facilities guidelines provided to Vendor in writing.
- 5.2 Inventory of Capital Equipment and Furnishings. Immediately upon commencement of this Agreement, Vendor and University shall together conduct an initial physical inventory, of Capital

Equipment and Furnishings within Vendor's Premises. The Inventory of Capital Equipment and Furnishings will be documented by University and Vendor. Thereafter, Vendor and University shall annually update this inventory, which shall include the Capital Equipment and Furnishings from the initial inventory, plus additional purchases during the contract year, less any equipment disposed of in accordance with Section 5.9.2.5. Upon termination of this Agreement, University will confirm a final physical inventory of all Capital Equipment and Furnishings. At that time, Vendor shall surrender an equal inventory of Capital Equipment and Furnishings to University, subject to reasonable wear and tear or loss or destruction due to fire or other casualty. If any inventoried item is lost, damaged or unaccounted for prior to expiration of its useful life, either during or at termination of the contract, as a result of Vendor's negligence and not considered reasonable wear and tear, then the Vendor will either pay the University an amount proportionate to the remaining useful life of the item using the straight-line method of amortization, or replace items with an identical product or equal at Vendor's cost.

- 5.3 Smallwares. University shall furnish, at its expense, all Smallwares owned by University that are associated with Vendor's assigned Premises. Vendor shall provide, at Vendor expense as part of the Vendor Capital Investments, an initial purchase of any additional Smallwares needed for the proper operation of the Dining Services Program at the commencement of this contract and the initial purchase of Smallwares at any new venue to be operated by Vendor. University provided Smallwares, in conjunction with Vendor's initial Smallwares purchase, shall together comprise the Smallwares par stock.
- 5.4 Smallwares Inventory and Replacement. Immediately upon commencement of this Agreement, Vendor and University shall together conduct an initial physical inventory, updated annually thereafter, of the Smallwares par stock associated with Vendor's Premises, to be documented by University and Vendor. Additionally, if at any time Vendor is to provide service to new or renovated Dining Services Program locations, Vendor and University shall mutually agree to increase the par stock with such items as are required and shall mutually agree as to whether the items shall be purchased by University or by Vendor. Vendor shall be required to provide ongoing replacement of the Smallwares par stock, with all Vendor purchases to be fully expensed as a cost of operations in the year of purchase. Ownership of the Smallwares par stock shall reside with the University. Upon termination of this Agreement, Vendor shall surrender an equal inventory of Smallwares to University in the same order and condition as when received or purchased by Vendor, subject to reasonable wear and tear or loss or destruction due to fire or other casualty.
- 5.5 Right of Inspection. University retains the right to inspect, evaluate, and request changes in the operation and condition of the Dining Services Program and Premises at any time with respect to quality, quantity, and production of all food items, hours of meal service, prices, safety, sanitation, and maintenance of the facilities and equipment to bring them to levels satisfactory to University. Inspections and evaluations shall be conducted so as not to interfere with the normal operations of Dining Services Program functions. University reserves the right to periodically conduct an unannounced inspection with or without Vendor's representatives being present. Inspectors from all state and local authorities and from University shall have complete cooperation from Vendor. When state and local authorities arrive for inspection, University shall be notified by Vendor and, whenever practical, University's Contract Administrator shall be present for the inspection. University and Vendor shall each provide the other with copies of

any state or local authority's inspection report it receives, within five (5) calendar days of receipt. Within ten (10) calendar days of receipt by Vendor, Vendor shall provide University with a written report of corrective action taken. In the event that corrective action is a joint responsibility, Vendor shall notify University of its responsibility in the matter and shall work with University in the implementation of such action.

## 5.6 Vendor's Designated Offices.

5.6.1 Office Facilities. University shall provide, without charge to Vendor, suitable office facilities for use by Vendor in the performance of this Agreement. At a minimum, University shall provide Vendor with the following:

5.6.1.1 Space in or adjacent to each large Food Service facility for use by the unit manager;

5.6.1.2 A publicly accessible, and professionally appearing Catering office space;

5.6.1.3 A central administration office space at one location.

5.6.1.4 Vendor shall take reasonable and proper care of the office facilities and shall return them to University at the termination of this Agreement in good condition, ordinary wear and tear accepted.

5.6.2 Existing Office Furniture. At the commencement of this Agreement, University shall provide its existing University owned, office furniture assigned to Vendor's Premises at no charge to Vendor. Additional furniture required shall be Vendor's responsibility to obtain and purchase, at Vendor's cost, subject to University approval. Vendor shall be responsible for maintenance of such furniture in good condition and repair. Upon termination of this Agreement, Vendor shall return University's office furniture in the same condition as when received by Vendor, subject to reasonable wear and tear or loss or destruction due to fire or other casualty.

5.6.3 Telecommunications. University shall, at no additional cost to Vendor throughout the term of this Agreement, assign a mutually-agreed number of dedicated telephone lines and provide desktop and/or wall-mounted telephone instruments for Vendor's business use. Vendor shall use University's telephone system, including University's designated service provider(s) and assigned lines and instruments, throughout the term of this Agreement. Vendor shall not install a separate telephone system but shall be responsible for costs to repair and maintain assigned lines, costs to repair or replace telephone instruments, and local and long-distance service charges to the assigned lines. Vendor shall notify University when repairs or replacement are required, and University shall expedite said repairs or replacement. All costs incurred by University to repair or replace lines or equipment on Vendor's behalf shall be invoiced to Vendor by University, and Vendor shall remit payment to University within thirty (30) calendar days of receipt of invoice. All local or long-distance service charges incurred by Vendor shall be paid by University upon receipt(s) from University's telephone service provider(s). University shall invoice Vendor for the local or long-distance service charges and Vendor shall remit



payment to University within thirty (30) calendar days of receipt of invoice. Vendor shall provide its own cellular telephones and service, at Vendor cost.

5.6.4 Office and Other Machines. Vendor shall provide all office machines necessary for the management of the Dining Services Program to including personal computers, printers, FAX machines, copy machines, calculators, safes, timekeeping equipment, and any other office machines required for Vendor's internal business operations.

5.6.5 General Office Supplies. Vendor shall furnish at its expense, necessary office supplies, including but not limited to paper, postage and file folders.

## 5.7 University Systems.

5.7.1 Connectivity. University acknowledges that, in connection with the services being provided hereunder, Vendor shall need to operate certain information technology systems, including but not limited to point-of-sale devices, e-commerce solutions, and computer hardware and software services and applications ("Non-University Systems"). University further acknowledges that the Non- University Systems may need to interface with or connect to University's networks and information technology systems ("University Systems"). As an independent contractor to the University, the Vendor and all employees must comply completely with University's Acceptable Use Policy (as set forth in the University's Security Policies and Procedures Manual, it being understood that University will notify Vendor of any changes to such Manual, and that Vendor will not be required to adhere to revised Manual until it has received such notice), FERPA laws, Payment Card Industry (PCI) guidelines and applicable state laws. All devices (whether connected through cabled network or wireless), all software and systems must be properly secured and fully compliant with current PCI standards. Vendor will be solely responsible for all Non-University Systems, and University will be solely responsible for all University Systems and networks, including taking the necessary security and privacy protections that are reasonable under the circumstances. If Vendor serves as the merchant-of-record for credit or debit card transactions in connection with the Services provided hereunder, then Vendor will be responsible for complying with applicable laws, regulations and payment card industry data security standards related to the protection of cardholder data ("Data Protection Rules"). If Non-University Systems connect to or interface with University Systems, then University agrees to promptly implement upon request from Vendor, at University's expense, the changes to the University Systems that Vendor reasonably requests and believes are necessary or prudent to ensure Vendor's compliance with the Data Protection Rules. Each party will indemnify, defend, and hold the other party harmless from all claims, liabilities, damages, and costs (including reasonable legal fees) arising from the indemnifying party's failure to comply with its obligations in this Section. Any liability of the University shall be limited pursuant to NRS 41.0305 to NRS 41.039.

5.7.2 Email Accounts. University shall provide and assign University e-mail accounts for Vendor's key managers and supervisors. As a cost of operations, Vendor shall pay a licensing fee to University for each assigned email account. In the event of the termination or addition of a key manager or supervisor, Vendor shall notify University's Contract Administrator within 30 days of the event and will further be required to

provide the Contract Administrator with a full list of its University email accounts on June 30th of each year of the contract term.

5.7.3 Electronic Access System.

5.7.3.1 University shall provide and maintain, at its expense, a software management system that shall be capable of handling the various meal programs included in this Agreement.

5.7.3.2 Reserved.

5.7.3.3 As part of its Electronic Access System responsibilities, Vendor shall:

5.7.3.3.1 Purchase and use the point of sale equipment required to work with the Electronic Access System it being understood that Vendor and University will review to agree upon necessary equipment replacements annually.

5.7.3.3.2 Bear all costs of daily operation including cash registers, paper supplies, and labor to operate the system, including service hours for access.

5.7.3.3.3 Be responsible and bear the cost for the maintenance and support costs of all Vendor software.

5.7.3.3.4 Be responsible and bear the cost of all hardware and software support and maintenance of University's electronic door access system within food service areas controlled by Vendor.

5.7.3.3.5 Be responsible for and bear the cost of programming and configuration of Vendor's Point-of-Sale devices.

5.7.3.4 University and Vendor shall each immediately notify the other as soon as either party becomes aware that customer service may be affected because of any malfunctions which require maintenance or repairs on the Electronic Access System equipment, including all cash registers.

5.7.3.5 Vendor shall furnish University with requested daily/weekly reports to verify all customer counts, meal counts, cash sales, "flex/dining" dollar sales, and other pertinent information so requested pertaining to all Vendor's services, including subcontracted services. University may, at any time, make unannounced audits of the cashiers, especially the retail operations. The audits shall not interfere with peak period retail sales.

5.7.4 Website. Vendor, at Vendor's sole cost, shall establish and maintain a high quality, customer interactive, informational website for the Dining Services Program at Vendor expense, linked to University's website at a location of University's choosing ("Hosted Website"). Vendor's Hosted Websites shall be in compliance with University graphic

standards and the provisions of Section 16.18 and not include third party advertising without the prior written permission of University. Vendor's website and any other websites provided by Vendor under this Agreement must be ADA Compliant. All vendor's hosted websites shall be ADA compliant no later than March 4, 2020. At a minimum, the vendor websites shall contain the following, with information to be kept current at all times, and all content subject to University approval:

- 5.7.4.1 Dining Services Program locations (including location map) and days/hours of operation;
- 5.7.4.2 Menus for each Food Service location, including pricing and caloric/nutritional breakdown of foods offered as per the requirements of Sections 7.1.2 and 7.1.3, and pricing;
- 5.7.4.3 Resident meal plan configuration, pricing and policies;
- 5.7.4.4 Voluntary meal plan information, promotional materials and online purchase capability;
- 5.7.4.5 Information on Vendor's on-campus wellness initiatives as well as nutritional and wellness education information. Information will be kept current at all times;
- 5.7.4.6 Catering menus, pricing and policies, and link to Vendor's catering ordering software;
- 5.7.4.7 Upcoming events and promotions;
- 5.7.4.8 Information on Vendor's on-campus sustainability initiatives as well as sustainability education information. Information will be kept current at all times.

Vendor is encouraged to offer additional e-commerce solutions on its website, subject to prior review and approval by University. University shall not be required to obtain any approval from Vendor regarding the creation of the University link other than notifying Vendor of the location and/or addresses for same. University may take such action as it deems appropriate to maintain the integrity of the service and its website and accordingly has the right to remove or temporarily restrict access to Vendor's link at any time. University has the full and exclusive right to grant or otherwise permit Vendor to access University's website and use of University's site links.

5.7.5 Information Technology. University shall be solely responsible for all University Information Technology Systems, and Vendor shall be responsible for all Non-University Information Technology Systems. Vendor shall adhere to the following Information Technology provisions in operating University's Dining Services Program:

- 5.7.5.1 Vendor will provide on-site management or technical personnel appropriately trained in the software systems used by University on behalf of the Dining Services Program, to include a qualified person to coordinate the programming and configuration of Point of Sale devices, as well as use of the Campus Card program including first line hardware and software support.
- 5.7.5.2 Vendor will provide all support for information technologies used by Vendor's personnel. Vendor will host and manage its own IT services, including web services, email, chat, and calendaring. To the extent that University allows

Vendor use of University's wired or wireless networks, University support will be limited to verification of connectivity, and Vendor will maintain all IT equipment and software at version or release levels supported with timely security updates by its respective developers, licensors, or manufacturers. Vendor equipment, software, and personnel will comply with University policies including those addressing information security, privacy, and acceptable use. Vendor shall not run credit card transactions across University's wired or wireless network without consent of University and will do so following PCI best practices should University provides consent.

- 5.7.5.3 Vendor agrees to keep current all Vendor provided computer hardware and software in use at the University's premises, with a maximum replacement cycle appropriate to the system involved not to exceed five years, unless otherwise specifically agreed to by University's Contract Administrator. All Vendor computer hardware and software must be legally licensed and follow University's patching policy.
- 5.7.5.4 Web access: Vendor will accept University credentials via (ex: Active Directory, Secure LDAP, etc.). Vendor will implement, consistent with University policy, timely updates addressing any security vulnerabilities in its online system, whether discovered by Vendor, reported to Vendor, or disclosed by other parties. Failure to correct security vulnerabilities may be grounds for issuance of notice of breach pursuant to Section 3.1.4 of this Agreement. Web client access will support, and will continue to support, current versions of Internet Explorer, Firefox, Chrome, and Safari, running on Windows, MacOS, iOS, and other major internet browsers not yet developed, and will require no non-default plug-ins or extensions. Web client systems will also support and continue to support access from Android, Windows phone, and Apple IOS cellular systems. Vendor web services will be free of content harmful to client systems and will conform to the minimum standards for web-based application security described in the Open Web Application Security Project (OWASP) Guide to Building Secure Web Applications.
- 5.7.5.5 Vendor's DineOnCampus website, and any other vendor websites used by UNR Students, faculty and staff shall comply with the Americans with Disabilities Act (ADA), by supporting assistive software or devices such as large-print interfaces, text-to-speech output, refreshable braille displays, voice-activated input, and alternate keyboard or pointer interfaces in a manner consistent with the Web Content Accessibility Guidelines published by the World Wide Web Consortium's Web Accessibility Initiative. Vendor shall provide University current completed Voluntary Product Accessibility Template (VPAT) to detail compliance with the federal Section 508 standards. In the event that Vendor's DineOnCampus website and any other vendor websites are not Accessibility compliant, University may demand that the Vendor promptly make modifications that will make the site Accessibility compliant; in addition, in such an event, University shall have right to modify or copy the site material in order to make it useable for Authorized Users.

- 5.7.5.6 Vendor shall maintain a Business Continuity/Disaster Recovery plan for all data stored by Vendor related to University's Dining Services Program in the event of a critical failure of Vendor's IT infrastructure. Said plan shall be subject to review and approval by University.
- 5.7.5.7 Vendor will be exclusively responsible for legal, regulatory, and industry standards compliance, including PCI DSS, for all credit and debit card transactions associated with the Dining Services Program ("Data Protection Rules"). If Vendor serves as the merchant-of-record for any credit or debit card transactions in connection with any of the services provided hereunder, Vendor shall be exclusively responsible for legal, regulatory, and industry standards compliance, including PCI DSS, for all credit and debit card transactions associated with the Dining Services Program ("Data Protection Rules"). University agrees to implement the changes to University Systems that Vendor reasonably requests and can demonstrate are necessary or prudent to ensure Vendor's compliance with the Data Protection Rules. In the event that implementation of Vendor's requests result in additional hardware, software, or services costs, Vendor shall reimburse University as a cost of operations.
  - 5.7.5.7.1 Vendor agrees to notify University within 30 days if either Vendor establishes that it is not PCI-compliant or Vendor is notified by a Qualified Security Assessor (QSA) or Vendor's acquiring bank that Vendor is not PCI-compliant.
  - 5.7.5.7.2 Vendor agrees to comply with all applicable laws that require the notification of individuals in the event of unauthorized release of cardholder data. In the event of a breach of any of Vendor's security obligations or other event requiring notification under applicable law, Vendor agrees to assume responsibility for informing all such individuals in accordance with applicable law and to indemnify, hold harmless and, with approval of the Nevada Attorney General, defend University and its trustees, officers, and employees from and against any claims, damages, or other harm related to such a breach.
  - 5.7.5.7.3 Vendor agrees to notify University's authorized representative within 48 hours after it learns of unauthorized release of cardholder data.
- 5.7.5.8 If Vendor stores any confidential or sensitive University information, including any personally identifiable information on students, employees, or other affiliates ("Covered Data and Information"):
  - 5.7.5.8.1 University shall not be required to provide Vendor with any information regarding its students or employees other than directory information (within the meaning of the Family Educational Rights and Privacy Act ("FERPA") and such other

information as may be necessary to verify board plan participation and administer board plans. Vendor understands that it shall not sell, trade and/or offer the names of University's students or employees to advertisers or other third parties seeking the same without the prior express written permission of University's students and/or employees. This provision does not prohibit either party from providing this contract or any information regarding the same to any third parties as may be required by law or as necessary to enforce the terms hereof. Vendor hereby agrees to comply with FERPA if and to the extent applicable to Vendor in its performance of its duties hereunder.

5.7.5.8.2 Any confidential or sensitive University information, and any personal data collected for this service may only be used to provide this service and will not be disclosed for any reason to any third party. By way of illustration and not of limitation, Vendor will not use such data for Vendor's own benefit and, in particular, will not engage in "data mining" of University data or communications, whether through automated or human means, except as necessary to fulfill its duties under this Agreement, or as specifically and expressly provided for in this Agreement, as required by law, or authorized in writing by University.

5.7.5.8.3 University is the sole and exclusive owner of all data that is collected by the Vendor system or by University and transferred to and received by Vendor through the Vendor's system. Vendor is prohibited from providing information in response to 3<sup>rd</sup> party requests and is required to direct all such requests for information to University's Contract Administrator.

5.7.5.8.4 All data shall be stored at a location in the United States unless otherwise agreed by the parties.

5.7.5.9 Maintenance of the Security of Electronic Information: Vendor shall develop, implement, maintain and use appropriate administrative, technical and physical security measures to ensure confidentiality, integrity and availability in the collection, receipt, transmission, storage, disposal, use and disclosure of Covered Data and Information received from, or on behalf of, University. Vendor shall at a minimum maintain and use security measures no less rigorous than those afforded its own data, and that meet requirements imposed by laws or regulations applicable to the storage, use and transmission of such shared data, and commercially acceptable standards.

5.7.5.10 Reporting of Unauthorized Disclosures, Data Security Breaches, or Misuse of Covered Data and Information: Vendor agrees that if any use or access not authorized by this Agreement or in writing by University, or any breach or compromise of the security, confidentiality or integrity of such personal

information received from University, or developed or gathered under the Agreement, is reasonably believed to have occurred, Vendor shall notify University of the security incident within no more than forty eight (48) hours. The report shall identify, to the extent known:

- 5.7.5.10.1 The nature of the unauthorized use or disclosure;
- 5.7.5.10.2 The data used or disclosed;
- 5.7.5.10.3 Who made the unauthorized use or received the unauthorized disclosure;
- 5.7.5.10.4 What Vendor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; and,
- 5.7.5.10.5 What corrective action Vendor has taken or shall take to prevent future similar unauthorized use or disclosure.

Vendor shall promptly thereafter confer with University regarding the incident and, at its own expense, comply with all notification action requirements or, as requested by University, assist University with all notification actions required by University policy and the law.

- 5.7.5.11 Vendor shall defend, indemnify and hold University harmless from all claims, liabilities, damages, or judgments involving a third party, including University's costs and attorney fees, which arise as a result of Vendor's failure to meet any of its obligations under this Section 5.7.
- 5.7.5.12 Return and Destruction of Covered Data and Information: With the exception of transaction data that the Vendor must retain in accordance with PCI-DSS requirements, upon termination, cancellation, expiration or other conclusion of the Agreement, Vendor shall return and destroy all University information, including any personally identifiable information on students, employees, or other affiliates. With the exception of transaction data that the Vendor must retain in accordance with PCI-DSS requirements, at any time, at the request of an agent of University, Vendor shall erase, destroy, and render unrecoverable all University data and certify in writing that these actions have been completed within 7 days of the request. At a minimum, a "Clear" media sanitization is to be performed according to the standards enumerated by the National Institute of Standards, Guidelines for Media Sanitization, SP800-88, Appendix A - see <http://csrc.nist.gov/>.
- 5.7.5.13 System Audits. Upon request of University, not more than once per year, at Vendor's expense, Vendor shall conduct an audit by a third party of the information technology and information security controls for all facilities used in complying with its obligations under this Agreement, including, but not limited to, PCI Compliance. A copy of the self-assessment will be provided to University's Contract Administrator. Additionally, upon the Contract Administrator's written request, Vendor shall make available for Contract Administrator review all of the following, as applicable: Vendor's latest Statement on Standards for Attestation Engagements (SSAE) No. 16 audit reports for Reporting on Controls at a Service Organization (SOC 2) and

any reports relating to its ISO/IEC 27001 certification. University shall treat such assessment and audit reports as Vendor's Confidential Information under this Agreement. Any exceptions noted on the SSAE report or other audit reports will be promptly addressed with the development and implementation of a corrective action plan by Vendor.

- 5.7.5.14 Dining Services Program Website Availability Requirement: In the event that Vendor provides a Hosted Website on behalf of University, Vendor shall ensure that its Hosted Website is available, as measured over the course of each calendar month during the contract term, at least [ninety-nine and ninety-five one hundredths percent (99.95%) of the time. "Available" means the Hosted Website is available and operable for access and use by the University and the University community over the Internet in material conformity as per Section 5.7.4.
- 5.7.5.15 Point of Sale Liability. Vendor shall be responsible for any losses or liabilities that occur from the point of sale systems or equipment.
- 5.7.5.16 Subcontractors. The provisions outlined in Sections 5.7.5.1 – 5.7.5.15 shall be extended by contract to all subcontractors and third-party service providers to whom Vendor will provide, or give access to, University's servers, computer network and/or data that is the subject of this contract.

## 5.8 Vendor Technology Systems

- 5.8.1 Back of House Inventory Production System. Vendor, at its expense shall provide a back of house inventory production system that is capable of forecasting, identifying food and supply costs for each dining location and generating reports as identified in this agreement.
- 5.8.2 Other Vendor Technology Systems. Vendor, at its expense shall provide other technology systems that it deems necessary to provide the services identified in this agreement.
- 5.8.3 Video Surveillance. All installation, operation, maintenance and use of video and audio recording equipment, including personal devices, at the University of Nevada, Reno must follow UNR UAM 7,004. Vendor shall provide all video surveillance and security systems it deems necessary for Vendor's Premises as a cost of operations, including installation, management, and maintenance of systems. All Video surveillance and security systems shall be subject to review and approval by University prior to purchase and installation. The creation, use, maintenance and/or disclosure of all stored data shall comply with all applicable laws, rules and regulations, and all applicable University policies and procedures. Vendor shall, to the extent permitted by law, provide University with a copy of any video surveillance upon request.

## 5.9 Stewardship



- 5.9.1 Vendor's Representative. Vendor shall designate a minimum one, and a maximum of two individuals to liaise with University's Contract Administrator on facilities and/or equipment maintenance and/or repair requests.
- 5.9.2 Maintenance and Repair Responsibilities.
- 5.9.2.1 With respect to the equipment provided by University, University makes no implied or express warranties, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. However, Vendor shall have the benefit of any warranty or guarantee given University by the manufacturer or the seller of the equipment.
- 5.9.2.2 Vendor shall be responsible for performing the proper use and care for the equipment (in accordance with manufacturer's instructions) and facilities it is assigned and/or uses in the performance of its daily duties. Vendor shall be responsible for performing first level (operator) preventative maintenance on equipment, fixtures, and furnishings, including grease ducts/exhaust hoods.
- 5.9.2.3 Within a span of twenty-four (24) to seventy-two (72) hours of request via provision of a log to Housing or Facilities Management department, with response time appropriate to the issue, the University shall furnish the services of its maintenance staff or may authorize the use of outside maintenance services when required for proper maintenance and/or repair of University owned Dining Services Program facilities and equipment.
- 5.9.2.4 University shall be responsible for all costs of maintenance of its owned facilities, capital equipment and furnishings, including labor and supplies, whether provided by University's maintenance staff or by outside maintenance services, unless repairs and maintenance are the result of abuse or negligence on the part of Vendor, its agents and/or employees, in which case, Vendor shall pay for any required repair or replacement. Dining Services related repair or replacement needs will be funded to the extent of the Repair and Maintenance Fund as supported by the Vendor's annual contribution of 2% of Net Sales. Any funds remaining shall be paid to the University at the end of the contract. To the extent funds are available in the Vendor's Repair and Maintenance Fund, all University dining service repair or replacement needs will be funded through the contract's Repair and Maintenance Fund. Expenditures from the Repair and Maintenance Fund shall be mutually agreed upon by the University and Vendor. The foregoing notwithstanding, if, within a contract year, funds are required for capital replacements in excess amounts available through the monthly accrual, Vendor would advance such excess amounts, up to the maximum of amounts remaining to be accrued in that contract year, net of funds already spent.
- 5.9.2.5 After consultation with Vendor regarding the disposition and use of excess Dining Services Program capital equipment, furnishings, or Smallwares owned by University, University shall declare as surplus and dispose of any surplus property. Under no circumstances shall the Vendor remove any University

owned equipment from the premises without written permission from the Contract Administrator.

5.9.2.6 Annually, but not later than February 1 of each year, Vendor shall advise University of requests for the ensuing year for new capital equipment or replacement of such current capital equipment that is worn beyond the point for which, in Vendor' opinion, the cost of repairing would exceed that of the purchase of new equipment. University shall be responsible for the final decision as to when it shall make the investment to replace any equipment.

5.9.3 Emergency Disposable Service Ware. If dishwashing facilities become inoperative and paper or other disposable service is required, Vendor shall be responsible for providing and maintaining an inventory of disposable service ware adequate to meet emergency needs. If the dishwashing facilities become inoperable due to Vendor's employee's negligence or misuse, Vendor shall pay all associated disposable service ware costs as a cost of operations. If the University owned dishwashing facilities malfunction is not due to Vendor's misuse and the University is unable to make repairs within fourteen (14) calendar days per incident, then University will be responsible for the costs associated with disposable service beginning Day 15.

5.9.4 Degreasing System. At Vendor's cost, Vendor shall be responsible for performing the proper use and care of all degreasing system(s) associated with the Dining Services Program, as well as the regular disposal/removal of contents from University premises by a qualified disposal provider approved by University and in accordance with the University's environmental health and safety program. Vendor shall provide University with a disposal and cleaning schedule, subject to University approval, and shall rigorously adhere to the approved schedule. Additionally, Vendor shall be responsible, at Vendor's cost, for weekly industrial cleaning of the areas surrounding all grease traps associated with the Dining Services Program. Vendor shall be responsible for the regular preventive maintenance of the degreasing system(s), including comprehensive annual maintenance at a time mutually agreeable to University and Vendor.

5.9.5 Pest Control. Vendor will be responsible for scheduling and performing pest and insect control in all facilities associated with the Dining Services Program, including, but not limited to dining areas, production, service, storage, and employee support areas. The schedule of frequency of service shall be as determined by University. The direct cost of pest and insect control will be paid by the Vendor for provision of the service. Vendor shall consult and work collaboratively with Student Union, Residential Life, Risk Management, and Physical Plant in its pest control efforts.

#### 5.10 Utilities.

5.10.1 Service. University shall provide its available utility services to Vendor's Premises. Vendor may request additional utility services on behalf of the Dining Services Program, which shall be provided at University's sole discretion.

5.10.2 Utility Charges. Vendor shall be responsible for payment of utility charges associated with Utilities for all areas for the Dining Services Program with rates set by the campus

recharge schedule. Vendor shall pay actual costs where metered and pay on a square foot per year basis where not metered.

5.10.2.1 Non-metered buildings include: Ansari 1,052 sq. ft. and Fitzgerald 2,394 sq. ft.

5.10.3 Service Interruptions. University shall not guarantee an uninterrupted supply of water, steam, electricity, gas, heat, or air conditioning. University shall not be held responsible for any disruption of utility services due to circumstances beyond University's control including, but not limited to, Acts of God, accidents, or repairs. However, University shall be diligent in restoring service following an interruption. University shall not be liable for any product loss which may result from the interruption or failure of any such utility services unless such interruption or failure is due to University's negligence.

5.10.4 Energy Conservation. Vendor shall assume responsibility for maximum utility/energy conservation by turning off or down lights, fans, water, ovens and other energy consuming items, when the Dining Services Program facilities are not in use or when business volume dictates a reduction in the use of utilities.

5.11 Vehicles. Vendor shall provide all necessary vehicles for use in the Dining Services Program. Vendor shall be responsible for the following costs associated with these vehicles:

5.11.1 Gasoline, oil, maintenance, repair;

5.11.2 Vehicle replacement as needed;

5.11.3 Automobile insurance as per Section 16.4.

Vendor shall be responsible for providing adequate and qualified staff to operate the vehicles, and shall be responsible for determining that each employee who drives transport vehicles has the applicable valid licenses. Vendor shall be liable for damages or injuries caused by negligent operation of the vehicle by Vendor's employees or agents.

5.12 Sanitation and Hygiene.

5.12.1 The Vendor shall be responsible for custodial and sanitation of all food service loading dock, receiving, office, storage, support, warewashing, production, service and dining areas associated with the Dining Services Program, with the exception of mechanical and electrical rooms, and except as otherwise noted in this contract. This includes occupational health and safety measures necessary to comply with Federal, State, and local laws, ordinances, and regulations pertaining thereto. The Vendor shall adhere strictly to all pure food and drug regulations, health laws, ordinances, and regulations as promulgated by the State of Nevada, Washoe County and agencies having authority thereunder, and shall indemnify and hold the University, its employees, and agents harmless from all claims arising from Vendor's failure to adhere to such laws, rules and regulations. Housekeeping and sanitation programs must meet the highest standards of cleanliness, and sufficient to provide protective maintenance against unnecessary deterioration.

- 5.12.2 The maintenance of proper sanitation levels is the full responsibility of the Vendor. The University expects that a collaborative relationship will be developed between the Vendor's management staff and the University. Vendor is responsible to coordinate with Washoe County Public Health District, Environmental Health Services Division to annually inspect all food service facilities and operations associated with the Dining Services Program. All food service facilities and equipment will be maintained to the levels necessary to successfully pass each Washoe County Health evaluation. Should critical and/or non-critical violations occur, Vendor shall be responsible for remedying such violations by the date indicated in the Inspection Report. When possible, the appropriate University personnel as designated by the University's Contract Administrator shall be contacted to participate with any food service inspection. A copy of all Washoe County Public Health District inspection reports will be forwarded to the University's Contract Administrator immediately following the inspection. If there are noted deficiencies, the Vendor shall include a written report that explains the cause and stipulates how the issues will be corrected.
- 5.12.3 Vendor shall engage a qualified, third party, University approved inspection service to conduct a health, safety, and sanitation inspection of each unit once per year at Vendor expense. A copy of the independent inspection report will be forwarded to the University's Contract Administrator immediately upon Vendor receipt.
- 5.12.4 Vendor shall train and ensure that its staff shall comply with the following hygiene standards:
- 5.12.4.1 Acceptable personal hygiene practices, including daily bathing, washing of hands with warm water and soap upon arriving for work and after using the restroom facilities;
  - 5.12.4.2 Clean and appropriate outer garments or uniforms;
  - 5.12.4.3 Hairnets or hats for all staff who have hair six (6) inches or longer, and;
  - 5.12.4.4 Removal of finger jewelry (except simple bands) for food handlers.
- 5.12.5 Vendor shall be responsible for providing food handler certificates as required by law, and ensure that all supervisors and managers are Serv-Safe certified. Vendor shall make certification available for review upon University's request.
- 5.12.6 For each operation associated with the Dining Services Program, the Vendor shall maintain the kitchen, loading dock, storage, dish room, support areas (offices, employee locker rooms, etc.), food preparation, and serving area equipment and facilities in a clean and in sanitary condition through the length of the work day and on a daily basis, cost of which to be borne by the Vendor. Vendor shall be fully responsible for the custodial and sanitation requirements outlined below, at Vendor's cost. In the event that Vendor fails to perform its custodial and sanitation obligations to University's standards, University reserves the right to perform its own custodial and sanitation services and invoice Vendor for its associated labor and supply costs.

Area	Vendor Responsibility	University Responsibility
<b>Back of House and Vendor Office Space</b>		
Work Area Surfaces, Walk-in Coolers/Freezers, & Equipment, Including Transport Equipment	<ol style="list-style-type: none"> <li>1. Keep clean from spills, grease, debris and miscellaneous waste</li> <li>2. Clean and sanitize daily</li> </ol>	
Floors	<ol style="list-style-type: none"> <li>1. Keep clean from spills, grease, debris and miscellaneous waste</li> <li>2. Clean &amp; sanitize daily</li> </ol>	
Walls, Ceilings, Fan Blades, Wall Vents and Duct Covers	<ol style="list-style-type: none"> <li>1. Keep clean from spills, grease, debris and miscellaneous waste</li> <li>2. Clean &amp; sanitize monthly</li> </ol>	
Back of House Windows	<ol style="list-style-type: none"> <li>1. Clean &amp; sanitize daily</li> <li>2. Provide regular cleaning of window coverings</li> </ol>	<ol style="list-style-type: none"> <li>1. Exterior window cleaning</li> </ol>
Lighting and Light Fixtures *	<ol style="list-style-type: none"> <li>1. General cleaning of all light fixtures</li> </ol>	<ol style="list-style-type: none"> <li>1. Lighting and light bulb replacement, including in exhaust hoods and walk-in coolers/freezers</li> </ol>
Ventilation and Exhaust Hood Systems *	<ol style="list-style-type: none"> <li>1. Clean &amp; sanitize exhaust hood canopies and filters as proscribed by manufacturer and/or local ordinance</li> <li>2. Cleaning and maintenance of dining services ventilation systems, including deep cleaning of all exhaust hood duct work, plenum chambers and roof fans as needed or required by local ordinance, but no less than twice per year. Vendor will engage a third party service provider to perform the service.</li> </ol>	
Loading Dock, Receiving & Trash Areas, and Supporting Elevators	<ol style="list-style-type: none"> <li>1. Keep clean from spills, grease, debris and miscellaneous waste arising from Vendor's operations</li> <li>2. Weekly (or more frequently as necessary) industrial cleaning and sanitation of loading dock and loading dock trash areas</li> <li>3. Use dumpsters/ compactors as required by the University.</li> <li>4. Share elevators with other users for the facility.</li> <li>5. General cleaning of floors</li> </ol>	
Storage Areas	<ol style="list-style-type: none"> <li>1. Keep neat, clean, and well organized</li> </ol>	<ol style="list-style-type: none"> <li>1. Review requests</li> </ol>

	<ol style="list-style-type: none"> <li>2. maintain all food and supplies on shelving, pallets, or racks above floor level</li> <li>3. Remove and dispose of surplus equipment once annually, upon approval of the Contract Administrator</li> </ol>	for removal and disposal of surplus equipment
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Area	Vendor Responsibility	University Responsibility
<b>Back of House and Vendor Office Space</b>		
Gathering & Containerizing of Garbage & Recyclables	<ol style="list-style-type: none"> <li>1. Transport containerized garbage and recyclables from work area receptacles to designated dock area containers</li> <li>2. Clean work area trash receptacles as needed to keep them clean and free from debris</li> <li>3. Transport containerized used cooking oils to designated dock area tank</li> </ol>	<ol style="list-style-type: none"> <li>1. Arrange for garbage pick-up from dumpster or compactor areas</li> </ol>
Janitor's Closets	<ol style="list-style-type: none"> <li>1. Clean &amp; sanitize daily</li> </ol>	
Staff Restrooms	<ol style="list-style-type: none"> <li>1. Clean, sanitize, and supply daily</li> </ol>	
<b>Front of House</b>		
Serving Counters, Work Area Surfaces, Walk-in Coolers/Freezers, Tray Drop Areas & Equipment, Including Transport Equipment	<ol style="list-style-type: none"> <li>1. Continuous spot cleaning throughout service periods to keep free from spills, grease, debris and miscellaneous waste</li> <li>2. Clean &amp; sanitize at the end of the service day</li> </ol>	
Serving Area Floors	<ol style="list-style-type: none"> <li>1. Continuous spot cleaning throughout services periods to keep free from spills, grease, debris and miscellaneous waste</li> <li>2. Clean &amp; sanitize floors behind serving counters at the end of the service day</li> </ol>	
Serving Area Walls, Ceilings, Fan Blades, Wall Vents & Duct Covers *	<ol style="list-style-type: none"> <li>1. Continuous spot cleaning throughout service periods to keep free from spills, grease, debris and miscellaneous waste</li> <li>2. Clean &amp; sanitize monthly</li> </ol>	

Area	Vendor Responsibility	University Responsibility
<b>Front of House (cont.)</b>		
Serving Area Lighting and Light Fixtures *	1. Keep all light fixtures clean	1. Serving Area Lighting and Light Fixtures Lighting and light bulb replacement for all lighting, including general area lighting, specialty lighting, heat lamps over serving counters, exhaust hoods and walk-in coolers/freezers (cost of light bulbs for these areas is a University cost)
Ventilation and Exhaust Hood Systems *	<ol style="list-style-type: none"> <li>1. Clean &amp; sanitize exhaust hood canopies and filters as proscribed by manufacturer and/or local fire authority</li> <li>2. Cleaning and maintenance of dining services ventilation systems, including deep cleaning of all exhaust hood duct work, plenum chambers and roof fans as needed or required by local ordinance, but no less than twice per year. Vendor will engage a third party service provider to perform the service.</li> </ol>	
Dining Seating Area Floors	<ol style="list-style-type: none"> <li>1. Spot clean as needed to keep clean from spills, debris and miscellaneous waste</li> <li>2. Periodic deep cleaning of public area floors (Vendor to coordinate with University custodial services). This only applies to Downunder Café and the Overlook. *</li> </ol>	
Dining Area Walls, Ceilings, Fan Blades, Wall Vents & Duct Covers	<ol style="list-style-type: none"> <li>1. Spot clean as needed to keep free from spills, grease, debris and miscellaneous waste, up to six feet</li> <li>2. Regular cleaning of walls, ceilings, fan blades, wall vents and duct covers * (Vendor to coordinate with University custodial services)</li> </ol>	

Area	Vendor Responsibility	University Responsibility
<b>Front of House (cont.)</b>		
Dining Area Lighting and Light Fixtures *	<ol style="list-style-type: none"> <li>1. Cleaning of light fixtures</li> <li>2. Lighting and light bulb replacement</li> </ol>	
Tables & Chairs	<ol style="list-style-type: none"> <li>1. Straighten tables and chairs as needed throughout service periods</li> <li>2. Continuous bussing of tables throughout the service period</li> <li>3. Continuous spot cleaning throughout the service period to keep clean from spills, debris, and miscellaneous waste</li> <li>4. Clean &amp; sanitize throughout the service period and at the end of each service day</li> <li>5. Periodic deep cleaning of furniture upholstery, as needed and at least once per Fall semester and once per Spring semester</li> </ol>	
Gathering & Containerizing of Garbage	<ol style="list-style-type: none"> <li>1. Transport containerized garbage and recyclables from serving and dining areas to designated dumpster/compactor containers, as needed during the day and at the end of each service day</li> <li>2. Maintain loading dock areas free from un-containerized trash and debris of Vendor</li> <li>3. Clean serving and dining area trash receptacles as needed to keep them clean and free from debris</li> </ol>	<ol style="list-style-type: none"> <li>1. Garbage and Recycling pick-up from dumpster/compactor areas</li> </ol>

\* to be funded with the Repair and Maintenance Fund

5.12.7 Section 5.12.6 notwithstanding, throughout the term of this Agreement, whenever an entire building is solely devoted to performance of the Dining Services Program, Vendor shall be fully responsible, at Vendor's cost, for all interior housekeeping, cleaning, and sanitation of the facility.

5.12.8 Vendor shall develop, implement, and update cleaning and sanitation schedules for all equipment and areas associated with Vendor's assigned Premises. Cleaning must be sufficient to provide routine protective maintenance against unnecessary deterioration, and/or pest infestation, as well as provide a clean, neat and sanitary appearance. Upon review and approval of University's Contract Administrator, schedules shall be posted and implemented within 30 days of the start of this Agreement.

5.12.9 Vendor shall cooperate with University in minimizing disposal costs. Vendor shall provide for any special waste product or special product packaging removal.



- 5.12.10 University shall provide a two-day period twice per year, during which University dining facilities can be closed to operations. University shall coordinate said scheduled closures with Vendor. During these semi-annual closures, Vendor responsibilities shall be as follows:
  - 5.12.10.1 Vendor. Vendor shall be responsible to deep clean and sanitize all food service equipment, exhaust hood canopies, work tables, counters, and fixtures in Vendor's assigned production, serving, warewashing, and support areas, in accordance with manufacturers' instruction.
  - 5.12.10.2 For all areas of Vendor's assigned Premises, including dining areas, Vendor shall deep clean and sanitize all floors, windows, walls, ceilings, light fixtures, furniture and furniture upholstery and air ducts . Additionally, Vendor will clean exhaust hood ducts, plenums, and related units and fans in accordance with local ordinance.
- 5.12.11 When Dining Services Program Premises are closed for University breaks in schedule, these areas shall be left in a clean and ready-for-inspection condition. Work schedules shall provide sufficient personnel and time for full cleaning prior to a shut-down of three (3) or more calendar days.
- 5.12.12 When Vendor serves or caters food service outside its assigned Premises, Vendor shall be responsible for cleanup of service, including box lunches, and food preparation areas at those locations, which shall be accomplished so as not to interfere with University use of those locations.
- 5.12.13 University shall be responsible for any costs involved in setting up and cleaning of Vendor's assigned Premises for functions or events not managed by Vendor. University shall pre-approve all Vendor's cleaning supplies and equipment.
- 5.12.14 Vendor and University shall each be responsible to provide and pay for all necessary janitorial supplies for their respective areas of responsibility.
- 5.13 Food Safety and Quality Control.
  - 5.13.1 Vendor shall develop and maintain a process that incorporates HACCP (Hazard Analysis, Critical Control Point) monitoring, testing and recording of serving and storage temperatures, as established by the United States Department of Agriculture an in full conformance with all state and local sanitation and safety regulations. The HACCP plan shall be provided by Vendor to University's Contract Administrator for review and approval.
  - 5.13.2 Foods shall be stored served at industry standard temperatures, in conformance with HACCP standards and the requirements of the Nevada State Department of Health and other applicable regulatory agencies.

- 5.13.3 Frozen foods, once thawed, shall not be refrozen. Leftover foods from meal service shall not be refrozen, but rather, shall be labeled, dated, and refrigerated. Such foods must be used within 24 hours, with the exception of mustard, ketchup, bread, and cheese.
- 5.13.4 All leftovers must be heated to internal temperatures in keeping with HACCP guidelines for re-use.
- 5.13.5 Vendor shall develop creative displays and attractive garnishes in each serving area. Serving lines, salad and deli bars, and all other food display areas are to be attractively decorated for each meal with seasonal décor or other items.
- 5.13.6 Attractive food wrappings are to be used as needed to protect freshness. Any food appearing discolored, unappealing or not fresh shall not be served. Leftover items which cannot be maintained at an acceptable and high level of freshness will not be served again.
- 5.13.7 The Vendor shall maintain and regularly revise standard recipes at the request of University in order to better respond to consumer demand. A complete standard recipe file shall be located on site at the Vendor's office.
- 5.13.8 Leftover foods may be donated to local charities so long as the associated food handling conforms to HACCP standards as well as state and location sanitation and safety regulations.

#### 5.14 Procurement.

- 5.14.1 The Vendor shall procure all food, beverages, supplies and smallwares necessary for the effective operation of the Dining Services Program, as well as equipment, as requested or required by University. Prompt payment discounts and any other rebates or allowances obtained from vendors, suppliers or distribution companies, including those obtained through Vendor's national or regional purchasing arrangements based on Vendor's purchases, will be retained by Vendor. Disposable dish-ware, flatware and other "take-out" paper or plastic products shall be shown as a separate line item under direct operating expenses. Vendor guarantees the total of the invoices amounts of such goods and any applicable procurement service fees will be comparable and competitive, on an aggregate basis, with prices of similar goods and services in the local University area.
- 5.14.2 University retains the right to select and/or approve any vendor used by the Vendor. Vendor will also purchase brand name products or equivalents, as specified by the University. This provision is subject to Section 5.17 below.
- 5.14.3 The Vendor shall engage in competitive specification buying. However, food, beverages, supplies, smallwares or equipment may be procured from a facility operated by the Vendor or a parent corporation provided that such food and supplies are acceptable with respect to quality and competitive price. Whenever the Vendor shall contract with any company controlled by or under common control with the Vendor, the terms thereof shall be no less favorable to the University, on an aggregate basis, than what the Vendor could have obtained in the public marketplace for materials or services of the same quality and

quantity from independent third parties and on terms no less favorable to the University than those pursuant to which the affiliate provides similar services to any other comparable dining service operated by the Vendor. The Vendor shall advise the University of the substance of any such agreement.

5.14.3.1 When and where reasonably cost effective and seasonally available, Vendor shall provide and use Nevada made products and local vendors. For the initial year of the contract, Vendor agrees that a minimum of 10% of its agricultural purchases shall be products grown in Nevada. Thereafter, local agricultural products purchase objectives shall be established as part of the Annual Strategic Action Plan.

5.15 Food Purchasing Specifications. Vendor shall adhere to the following standards in its food purchasing. The indicated grades are intended as minimum standards only, and Vendor shall exceed these minimums wherever possible. In the absence of grade labeling, Vendor shall provide University with package labeling codes or industry accepted grade equivalent standard to verify the minimum grades specified are being provided. All other food stuffs not included in the above categories shall be of comparable quality.

5.15.1 Beef: Beef and Veal shall be USDA Choice or better, except for meat used in extended dishes, and ground beef, which can be USDA Select. Veal steaks shall be solid meat portions – not pre-formed from chopped or ground meat. Ground beef shall not exceed 20% fat content. All Beef served shall be inspected and passed for wholesomeness by official inspectors of the USDA.

5.15.2 Pork and Lamb: Pork and Lamb shall be USDA Grade A, #1. Pork steaks shall be solid meat portions – not pre-formed from chopped or ground meat. All Pork and Lamb served shall be inspected and passed for wholesomeness by official inspectors of the USDA.

5.15.3 Poultry: All poultry shall be Grade A or better and be inspected and passed for wholesomeness by the official inspectors of the USDA. Poultry shall be solid meat portions – not pre-formed from chopped or ground meat.

5.15.4 Seafood: All seafood shall be of the best quality, fresh or frozen, and conform to all standards and regulations of the Department of Health. Frozen fish and seafood shall be a nationally distributed brand, packed under continuous inspection of the USDA. Seafood selections shall be in keeping with the Monterrey Bay Aquarium's Seafood Watch List Best Practices.

5.15.5 Deli Meat: Processed deli meats such as bologna or salami shall be an "all beef" or "all turkey" product.

5.15.6 Fresh Eggs: All fresh eggs shall be U.S. grade AA (Large or medium) and cage free.

5.15.7 Fresh Fruits and Vegetables: All fruits and vegetables shall be top grade, such as extra fancy, depending on the specific fruit or vegetable used in preparation of the finished product.

- 5.15.8 Canned Fruits: All canned fruits shall be U.S. Grade A Fancy, except Choice may be used for cooking purposes. Fruits shall be packed in light syrup.
- 5.15.9 Frozen Foods: All frozen foods shall be U.S. grade AA or A, depending on the specific product used and shall have been packed under continuous inspection by the U.S. Department of Agriculture.
- 5.15.10 Dairy Products: Milk products will be RSBT free, fortified with Vitamin D and be Grade A. Ice cream shall be available in a minimum of three flavors. Butter/Margarine shall be a minimum 92 score. Cheeses shall comply with Department of Health standards. Frozen dairy products shall comply with Department of Health standards.
- 5.15.11 Cheese: Cheeses such as Cheddar, Swiss and Monterey Jack shall be all natural, non-processed, when served as a prime ingredient in an entree, a sandwich ingredient, and sandwich spreads. American Process Cheese may also be served as a sandwich ingredient. In addition, processed cheese may be used in some cooking or as a less expensive alternative for some non-entree foods.
- 5.15.12 Trans-Fats. All food served in the Dining Services Program, whether prepared on site or purchased in a prepared state shall be free of trans-fats.
- 5.15.13 Antibiotics and Growth Additives: The parties shall agree upon goals to reduce antibiotics and growth additives in foods served.
- 5.16 Vegetarian and Vegan Foods. Vendor shall offer a wide variety of Vegetarian and Vegan foods in all areas of the Dining Services Program at every meal, and according to the following production standards.
  - 5.16.1 Vegetarian Cooking. Vegetarian menu items shall not be cooked in the same fat, sauce, or other cooking medium (to include the use of grill top and deep fat fryers) as non-vegetarian items.
  - 5.16.2 Vegan Cooking. Vegan menu items shall not be cooked in the same fat, sauce, or other cooking medium (to include the use of grill top and deep fat fryers) as non-vegan items.
- 5.17 Sponsorships. Vendor and University recognize the value of securing sponsorship relationships for University. Notwithstanding the foregoing, University will ensure that such sponsorship agreements do not impair the quality of the food and beverage items served by Vendor (as compared to comparable items served at other similar venues in which Vendor or its affiliates provides food and beverage service). University and Vendor agree that they will not compromise the quality of the food and beverage items served in the dining facilities in order to secure a sponsorship. If University decides to enter into a sponsorship agreement (or similar agreement) that increases the costs that Vendor incurs, then University and Vendor shall negotiate in good faith to address potential reimbursement or recovery for such non-inflationary cost increases.

- 5.18 Beverage Pouring Rights. As of the commencement of this Agreement, subject to Section 5.17, the exclusive pouring rights contract University has with Pepsi Bottling Company applies to all beverages, beverage products, packaged products, cups and lids, and post-mix products.
- 5.19 Campus Contracts. The University reserves the right to honor any existing campus wide contract between the University and an outside provider/supplier that was entered into prior to the Effective Date of this contract and/or the right to solely negotiate and enter into any type of campus wide University contract following the Effective Date of this contract, including but not limited to University's pouring rights agreement. Vendor agrees to abide by all applicable terms and conditions of the same in providing specific food/beverage items for the Dining Services Program. This Section is subject to the provisions contained in Article 5, Sections 5.17 and 5.18 above.
- 5.20 First Aid Equipment. Vendor shall be required to provide and maintain its own first aid equipment in each kitchen associated with the Dining Services Program.
- 5.21 Alcoholic Beverages. Vendor and University shall comply with all applicable state and local laws and all Board policies and procedures pertaining to the sale and service of alcoholic beverages at any University event regardless of location. If required, Vendor shall acquire and maintain liquor permits and licenses as required for the University premises.
- 5.22 Parking. Vendor shall obtain its own parking spaces on campus, on a first come, first served basis for a fee paid directly to University in accordance with University's parking policies.
- 5.23 Use of Subcontractors: Vendor shall use subcontractors only with advance approval of the University. No portion of this Agreement may be sublet, sub-contracted or otherwise assigned by the Vendor without the prior written consent of University. The following requirements shall pertain to all Vendor's Subcontractors:
- 5.23.1 Subcontractor(s) must have proper license(s) and registrations as necessary to perform the resulting contract in the State of Nevada;
- 5.23.2 Vendor is required to assume full responsibility and liability for all project work and services performed by the Subcontractor(s);
- 5.23.3 All contracts between Vendor and Subcontractor must comply with the contract between University and Vendor with the exception of insurance requirements, it being understood and different coverages and policy limits may apply to subcontracted operations, subject to University's reasonable approval. No conflicting terms and/or conditions will be allowed, except as stated in the preceding sentence;
- 5.23.4 Except as stated in Section 5.23.3, Vendor is required to ensure that Subcontractor(s) adhere(s) to all provisions and conditions of the Agreement;
- 5.23.5 Vendor will review with University any business plans for subcontracting prior to finalization of any agreement or conducting of business. University reserves the right to approve any Subcontractor and/or Subcontractor business plans;

- 5.23.6 University will not be a party to the terms or agreements of any contract between the Vendor and any Subcontractor, but is an intended third-party beneficiary to the contract between the Vendor and any Subcontractor;
- 5.23.7 In no case shall a Vendor subcontract survive the termination of this Agreement;
- 5.23.8 Vendor shall furnish the University with copies of all executed subcontracts.
- 5.23.9 Vendor shall keep the Premises free from any liens arising out of any work performed, materials furnished, services received, or obligations incurred by Vendor or its subcontractors. Vendor understands and agrees that any and all improvements, alterations, works of improvement, and other construction activities of Vendor must comply with Nevada's construction lien laws, including, but not limited to, NRS 108.2403.

## ARTICLE VI QUALITY CONTROL

- 6.1 Annual Program Report. Beginning September 2020, Vendor agrees to provide University with an Annual Program Report by September 1<sup>st</sup> of each year for the preceding contract year, to include, but not necessarily be limited to:
- 6.1.1 Dining Services Program highlights;
  - 6.1.2 Customer satisfaction findings and opportunities for improvement;
  - 6.1.3 Local vendor/supplier partnership outcomes, challenges, and opportunities;
  - 6.1.4 Academic partnership outcomes, challenges, and opportunities;
  - 6.1.5 Student partnership outcomes, challenges, and opportunities;
  - 6.1.6 Marketing outcomes, challenges, and opportunities;
  - 6.1.7 Sustainability outcomes, challenges, and opportunities;
  - 6.1.8 Equipment maintenance issues and equipment replacement needs;
  - 6.1.9 Employee training recap;
  - 6.1.10 Opportunities for Dining Services Program improvements;
  - 6.1.11 Executive Summary of Dining Services Program financial results.

The Annual Program Report will be used to help inform the development of an annual Strategic Action Plan for the Dining Services Program.

- 6.2 Strategic Action Plan. Beginning July 2019, by July 10th of each contract year, Vendor shall submit a Strategic Action plan to University for the following academic year. The Strategic Action plan shall be agreed upon by both parties.

At a minimum the Strategic Action Plan shall include, but not necessarily limited to the following:

- 6.2.1 Planning and/or implementation of new dining locations and/or modifications to existing dining operations;
- 6.2.2 Meal plan configuration, pricing, and policies;
- 6.2.3 Vendor's daily rates for provision of residential dining services;
- 6.2.4 Residential Dining menus, concepts, door pricing, days of service, and hours of operation for all service locations;
- 6.2.5 Retail Dining menus, concepts, pricing, days of service, and hours of operation for all service locations;
- 6.2.6 Catering menus, pricing and policies;
- 6.2.7 Summer Conference and Camps menus, pricing and policies;
- 6.2.8 Detailed Marketing Plan, with specific revenue enhancement strategies and objectives for Resident Meal Plan sales, Non-Resident Meal Plan sales, Retail sales, and Catering sales;
- 6.2.9 Local vendor/supplier partnership objectives;
- 6.2.10 Sustainability plan;
- 6.2.11 Wellness plan;
- 6.2.12 Employee training plan including multicultural competency training, and budget;
- 6.2.12 Student employment plan and student internship initiatives;

- 6.2.14 Equipment preventive maintenance and repair plan and budget;
- 6.2.15 Capital expenditure plan and budget;
- 6.2.16 Smallwares expenditure plan and budget for Vendor replacement smallwares;
- 6.2.17 Pro forma financial projections of revenue and expenses for the Dining Services Program, by month and year for each dining operation and in total.

In consultation with Vendor, University shall have the right to make changes to the Strategic Action Plan or to refuse to expend money suggested by the Strategic Action Plan. Once the plan has been approved by University's Contract Administrator, Vendor shall be responsible to comply with the plan and shall not substantially deviate without the express written consent of University's Contract Administrator.

6.3 Quality Assurance. Quality Assurance procedures shall be, at a minimum, as follows:

- 6.3.1 Vendor shall submit a quarterly operating report to University including operating and financial data, the content of which shall be as requested by University. Quarterly reports shall be submitted according to the following schedule: Reports for the quarter ending September 30 shall be submitted by October 31; reports for the quarter ending December 31 shall be submitted by January 31; reports for the quarter ending March 31 shall be submitted by April 30; and reports for the quarter ending June 30 shall be submitted by July 31.
- 6.3.2 Intentionally Omitted.
- 6.3.3 Upon completion of the Quarterly Assessment, a meeting shall be held with the Vendor's General Manager and District Manager, and University's Contract Administrator and other University invitees. Results will be reviewed for alignment with the annual Strategic Action Plan and shall be used as a means for setting operating and financial goals for the next period.
- 6.3.4 Vendor agrees to cooperate with University in responding to any and all issues concerning quality assurance, especially complaints concerning customer service and/or the quality or nature of the food served by Vendor.
- 6.3.5 University reserves the right to conduct quality audits of Vendor's operations at any time, with or without advance notice to Vendor.

6.4 Customer Surveys. All customer survey instruments and collection processes shall be approved by University's Contract Administrator prior to survey administration. Survey results shall be shared in writing with University, along with the survey instrument and data collection process used. Customer surveys shall be conducted by Vendor at least once each academic year, with results timed to inform the development of the following year's Strategic Action Plan. University reserves the right to conduct independent surveys and the results of those surveys shall take precedence over Vendor's customer surveys.

6.5 Customer Feedback. Vendor shall be proactive in creating and maintaining multiple options for customer feedback, to include, but not necessarily be limited to the following:



- 6.5.1 Comment cards in all Dining Services Program operations, with comments and responses publicly posted in the operation within three business days of receipt;
- 6.5.2 Dining Services Program website;
- 6.5.3 Vendor's social media accounts for the Dining Services Program.

All feedback mechanisms shall be pre-approved by University's Contract Administrator.

6.6 Other Monitoring Techniques.

- 6.6.1 Vendor is encouraged to engage in other forms of customer monitoring such as intercept surveys and internet surveys to ascertain the likes, dislikes, and dining preferences of people who are members of the campus community but who do not use the Dining Services Program on a regular basis.
- 6.6.2 At least once per semester, Vendor shall conduct a 3<sup>rd</sup> party Mystery Shopper review of all Dining Services Program operations, at Vendor's expense. Vendor shall share results with University, including actions to be taken to address any reported deficiencies.

6.7 Dining Services Program Committees. One or more Dining Services Program committees may be established by University. Vendor shall participate in these committee meetings to hear feedback and discuss a variety of issues including, but not limited to, menus, pricing and portions, menu specials, preparation and service standards and practices, hours, trends, and news of the food service industry. The Dining Services Program committee or committees shall meet as often as deemed necessary by University.

## ARTICLE VII WELLNESS

- 7.1 Wellness Program. Vendor shall provide nutrition-based Wellness Programs that encourage an understanding of nutritional needs, a commitment to the lifelong maintenance of good health, and an awareness of ecological, political, and special food issues. As part of this program, Vendor will be expected to provide the following:
- 7.1.1 Vendor shall provide nutrition-related services on a consulting basis and shall have a registered dietitian housed within the Vendor geographic district in which University is located. The dietitian's services shall include individual student consultation if requested, making a minimum of two (2) personal visits each semester and one (1) personal visit during the summer to coordinate the nutrition education program, evaluating menus being served, assisting in making mutually-agreeable adjustments to the menu, and observing food production and sanitation standards. Vendor shall submit a written report to University regarding the nutrition-related services provided within thirty (30) calendar days following the end of each academic year.
  - 7.1.2 Information that gives the caloric and nutritional breakdown of all entrees and other portion-controlled food selections served at all Dining Services Program locations, including Vendor's subcontracted locations, if any. Where reasonably possible (as mutually agreed by University's Contract Administrator and Vendor), said information is to be provided on product packaging (for pre-packaged foods), and at each point of service/service platform, as well as available on Vendor's website for the Dining Services Program.
  - 7.1.3 Information that gives the allergen content of all food selections served at all Dining Services Program locations, including catered events. Said information is to be provided on product packaging (for pre-packaged foods), and at each point of service/service platform, as well as available on Vendor's website for the Dining Services Program.
  - 7.1.4 Nutrition and allergen awareness education boards in each serving area.
  - 7.1.5 Nutrition and allergen awareness education through charts, posters, table tents, websites and other visual aids to be rotated monthly throughout the academic year.
  - 7.1.6 Vendor shall be expected to work toward continuous year over year improvement in the reduction and elimination of antibiotics and growth hormones in foods served within the Dining Services Program, with target objectives documented as part of Vendor's annual Dining Services Program Strategic Action Plan.

## ARTICLE VIII ENVIRONMENTAL SUSTAINABILITY

- 8.1 Sustainability Plan. As part of the annual Strategic Action Plan, Vendor shall be responsible for developing and implementing a proactive Sustainability Plan for the Dining Services Program that is fully aligned with the University's sustainability objectives, and on an ongoing basis, includes recommendations for year over year expansion and enhancements to University's and Vendor's sustainability initiatives. Vendor's Sustainability Plan shall address five key areas:
- 8.1.1 Minimization of environmental impact through the effective use of ecologically sustainable growing techniques; Integration of seasonally available local foods; Energy efficient transportation from farm to campus.
  - 8.1.2 Initiatives to ensure that management, kitchen and serving operations use resources efficiently through the effective deployment of resource-saving practice; Staff trained to understand energy efficiency tactics and other sustainable preparation objectives.
  - 8.1.3 Minimization of waste; Mechanisms for composting or otherwise reducing the impact of food waste. Use of ecologically sensitive packaging; Use of recycling, including cooking oil, and other efficient waste disposal mechanisms.
  - 8.1.4 Continuous evaluation and improvement of sustainability practices; Innovation in sustainability; Provision of education to both customers and Vendor's employees about innovations and reasons for operational decisions in food service.
  - 8.1.5 Incorporation of sustainable design principles in construction projects undertaken on behalf of the University.
- 8.2 At any point during the term of the Agreement, University reserves the right to require that Vendor implement a composting program, where Vendor and/or University has reasonable access to a composting site.
- 8.3 Vendor shall comply with all University Hazardous Waste handling and disposal requirements related to the Dining Services Program.
- 8.4 Vendor shall provide and manage the University's eco-ware (reusable) container program, to be available for use at University's residential dining operation. At any point during the term of the Agreement, University reserves the right to require that Vendor implement an eco-ware (reusable) container program at additional or all of the other Vendor's operations, including any subcontracted venues.
- 8.5 All disposable service ware used in Vendor's operations shall be at a minimum, recyclable, and preferably compostable, where Vendor and/or University has reasonable access to a composting site.
- 8.6 Vendor is responsible for removal and recycling of all boxes from box lunches and similar programs

## ARTICLE IX SAFETY AND SECURITY

- 9.1 University shall provide general security to University premises occupied by Vendor (Vendor's "Assigned Premises" or "Premises"). It is agreed that Vendor's Assigned Premises are for use solely to fulfill Vendor's duties, and that Vendor shall at all times keep Premises within its sole custody and control secured. Vendor shall adhere to the University Policies and Procedures and be solely responsible for the security of all its own property and of personal property under its custody and control on the Premises (including the personal property of Vendor's employees and agents), and for any repairs to or replacement or compensation for such property which may arise out of any theft, loss or damage thereto, and the University shall have no responsibility therefore.
- 9.1.1 In the event Vendor is required to share premises (e.g. the student center), in addition to Vendor securing its Assigned Premises, Vendor shall be responsible for maintaining University standards of security for its portion of the shared premises during those times the shared premises are closed. Vendor shall be responsible for any theft or loss of University property that occurs as a result of Vendor's negligent failure to provide adequate security under these circumstances.
- 9.2 Vendor shall be responsible for any keys or locking devices provided to Vendor at the onset of the contract. Vendor shall be responsible for the cost of replacement of lost keys, and if University determines that keys lost by Vendor could compromise campus security, Vendor shall be responsible for all costs associated with re-keying designated food service and related office/storage locations. Vendor may, in writing, request that University re-key the facilities prior to the commencement of the contract, or at any time during the duration of the contract, however, any costs of such re-keying shall be the sole responsibility of Vendor.
- 9.3 Vendor shall be responsible for immediately reporting, both verbally and in writing, the following to University's Contract Administrator:
- 9.3.1 Any known facts relating to losses incurred as a result of break-ins to its assigned Premises or other University facilities;
- 9.3.2 Any accidents involving staff and customers or adverse behavioral incidents involving staff or patrons, which occur in or around Vendor's assigned Premises;
- 9.3.3 Any damage to property, unsafe conditions, or security hazards of which Vendor becomes aware, and, to the extent Vendor is responsible for such conditions, take appropriate action to remedy the condition(s).

## **ARTICLE X MARKETING**

10.1 Marketing. Vendor shall aggressively market and promote University's Dining Services Program to all segments of the campus population. As part of the annual Strategic Action Plan, Vendor shall be responsible for developing and implementing a proactive annual Marketing and Communications Plan that is well integrated with University's Branding Program and promotes the Dining Services Program to the University community. The focus of the Marketing and Communications Plan shall be to maximize participation and sales in all Vendor's operations through use of active mechanisms such as special promotions, events, phone apps, and social media. Vendor shall continually initiate ideas for varied methods of service, merchandising, public relations, promotion, and menu presentation in all operations, at a standard similar to restaurant brands in the commercial marketplace.

10.1.1 At a minimum, the Marketing/Communications Plan must include the following:

- 10.1.1.1 Identification of target markets;
- 10.1.1.2 Specific strategies to build revenue, enhance satisfaction, and generate goodwill in the campus and local communities;
- 10.1.1.3 Tactics for effective promotion and communication to the campus and local communities;
- 10.1.1.4 Implementation plan and calendar;
- 10.1.1.5 Marketing budget;
- 10.1.1.6 Success measurement.

10.1.2 At a minimum, the Vendor shall be responsible to develop and produce the following materials in digital and printed formats to promote the Dining Services Program annually:

- 10.1.2.1 Resident Student meal plan brochure;
- 10.1.2.2 Faculty and Staff meal plan brochure;
- 10.1.2.3 Non-Resident Student meal plan brochure;
- 10.1.2.5 Dining Services Program Nutrition and Wellness brochure;
- 10.1.2.6 Dining Services Program Sustainability brochure;
- 10.1.2.6 Campus Dining Map and Service Hours brochure;
- 10.1.2.7 All Catering Menus and Promotional Material;
- 10.1.2.8 Periodic newsletter with Dining Services Program highlights.

Vendor may propose alternative strategies for providing printed materials to promote the Dining Services Program, subject to University review and approval.

10.1.3 The form and content of all Marketing and Communications materials must be approved by University's Contract Administrator prior to printing or otherwise publishing. Vendor shall collaborate and work closely with the Contract Administrator in developing marketing and communications materials to ensure that the quality is first-rate, complies with University's graphic standards, and fully meets the needs of University.

10.1.4 Vendor shall be required to use the approved University logo on all letterhead, business

forms, correspondence, advertisements, promotional pieces, marketing, the Dining Services Program website, etc., subject to compliance with University's graphic standards, approval by the University's Contract Administrator, and in accordance with the provisions in Section 16.18.

10.1.5 Vendor's DineOnCampus website must be provided in an accessible format to allow individuals with visual impairment or hearing impairment to access information via screen readers or audio captioning.

10.2 **Marketing Budget.** Vendor shall be responsible for all costs associated with marketing the Dining Services Program, except as otherwise specifically agreed by University's Contract Administrator, in writing. To help ensure the continual implementation of its Marketing Program, Vendor shall budget a minimum of \$90,000 annually for advertising, promotion, and related merchandising expenses for the following fiscal year. The following limitations shall apply in meeting the required expenditure:

10.2.1 Salaries and benefits of Vendor's on-site or regional Marketing staff shall not satisfy, in whole or in part, the required expenditure;

10.2.2 Third party costs such as promotional dollars from a soft drink vendor shall not satisfy, in whole or in part, the required expenditure;

10.2.3 Franchise fees, product costs and other costs associated with branded concepts shall not satisfy, in whole or in part, the required expenditure;

10.2.4 Charges for Vendor's corporate marketing programs and/or collateral materials shall account for no more than 50% of the required expenditure.

Vendor's direct cost of discounted food and beverages sold or donated, or donated prizes for promotional purposes, can be included as part of the required expenditure. University, at its sole option, may require an annual itemized accounting of all Marketing expenditures.

10.3 **Promotional Mailings.** At University's sole option, Vendor's Dining Services Program promotional materials may be included in University promotional mailings at a pre-approved cost mutually agreeable to both parties. In the event that inclusion of Vendor's materials does not materially affect University's mailing cost, said inclusion shall be at no charge to the Vendor. Additionally, University shall provide, if such information has been declared public data, address labels for independent mailings requested by Vendor. University shall invoice Vendor for the actual cost to provide such address labels, and all production and mailing costs associated with independent Vendor mailings shall be paid by Vendor.

## ARTICLE XI RESIDENTIAL DINING SERVICES

- 11.1 Service Locations. Vendor shall have exclusive rights to manage and operate the Residential Dining Program for University's residents and other dining patrons on property owned or operated by the University.
  
- 11.2 Service Days.
  - 11.2.1 Residential Dining Service Days and Opening/Closing Schedules shall be as identified in the Annual Strategic Action Plan.
  - 11.2.2 The Service Days and Opening/Closing Schedules may be adjusted by University during the academic year, or from year to year as part of the Strategic Action Plan, to reflect changes in customer needs and service. These changes and associated adjustment of financial arrangements will be mutually agreed upon, provided each party shall honor the reasonable requests of the other party.
  - 11.2.3 Unscheduled Service Days. Vendor acknowledges that it shall be required to provide Residential Dining Food Service throughout the calendar year, on days that are not included in its Daily Rates for Residential Dining Service (ex: Freshman Days, orientations, between semesters, commencement, summer session, and other non-academic periods). Service locations, hours of operation, and charges shall be mutually agreed upon and documented in the Annual Strategic Action Plan.
  - 11.2.4 Vendor acknowledges that the Residential Dining Service shall potentially be required to operate 365 days per year to meet the growing needs of University community.
  
- 11.3 Hours of Operation.
  - 11.3.1 Residential Dining Service hours of operation locations shall be as identified in the Annual Strategic Action Plan.
  - 11.3.2 Hours of operation may be adjusted by University during the academic year, or from year to year as part of the Strategic Action Plan, to reflect changes in customer needs and service. These changes and associated adjustment of financial arrangements shall be mutually agreed upon, provided each party shall honor the reasonable requests of the other party.
  - 11.3.3 Vendor agrees to provide extended service hours (early morning; late night) during exam periods, at locations as mutually determined by University and Vendor. The agreed upon extended service hour schedule shall be as identified in the Annual Strategic Action Plan.
  
- 11.4 Meal Plan Structure and Pricing. The structure, pricing, and policies (ex: rollover; forfeiture; included guest meals, etc.) for meal plans offered at the University shall be determined by

University annually and shall be documented in Attachment 3. Nothing in this section shall limit Vendor's right to obtain price increases as set forth in Article 15.

11.5 Door Pricing. Door pricing at residential dining locations shall be as documented in Attachment 4 and may be adjusted from year to year as part of the Strategic Action Plan.

11.6 Residential All You Care to Eat (AYCE) Dining Operations. The following standards apply to all current and potential future AYCE dining operations and meal service, except as specifically noted otherwise:

11.6.1 The serving concept shall be such that the consumer will be able to make individual item selections from the various menu options available, with unlimited servings of all food and beverage items (exceptions may be made for Premium entrée, Special Meals, and/or Special Events that are mutually agreed to in advance by Vendor and University's Contract Administrator).

11.6.2 Vendor shall provide for resident take-out meals during regular operating hours at all Residential Dining AYCE service locations, in exchange for a meal swipe. The take-out meal program and exchange allotments shall be as mutually agreed to by University and Vendor.

11.6.2.1 Hot Take-out Meals. At the time the card is swiped, the student shall receive a reusable take-out container with a lid. The student may fill the take-out container and beverage cup and must then exit the servery/dining room immediately. The lid must close on the container and there are no return visits for seconds without another swipe of the meal card.

11.6.2.2 Students may take-out only one meal per meal period. If a meal is taken out, no more meals may be eaten during this period, unless meal plan policy allows it for the specific plan(s).

11.6.3 Vendor shall allow a meal plan holder or cash guest to carry out one (1) piece of hand fruit, e.g. whole apple, banana, orange, etc., or one (1) frozen yogurt or ice cream cone from the residential dining facility.

11.6.4 "Sick" trays shall be provided by Vendor. Arrangements for "sick" trays shall be by mutual agreement between University and Vendor. Disposable containers and flatware shall be used.

11.6.5 With the exception 11.6.2, 11.6.3, and 11.6.4, food obtained in Residential Dining operations must be consumed within the dining area, except as otherwise agreed to by Vendor.

11.6.6 Swipe Out. University reserves the right to require Vendor to provide retail meals in selected retail locations in exchange for a meal plan swipe ("Swipe Out"). Meal equivalency value shall be as mutually agreed by University and Vendor.

11.6.7 Residential Dining Service patrons may not remove any china, glassware or utensils from



Residential Dining Service locations.

11.7 Menuing and Food Preparation.

- 11.7.1 Vendor will provide a minimum five-week cycle menu, prepared in accordance with nutritional standards of the Academy of Nutrition and Dietetics; entrees shall not be duplicated between lunch and dinner on the same day or from day to day. Minimum variety standards for each meal shall be mutually agreed to by Vendor and University's Contract Administrator.
- 11.7.2 Vendor shall cook "to order" wherever feasible. Otherwise, progressive, "just in time", small batch cooking shall be the production method utilized, staggering the preparation of food whenever possible so that nutritional value, temperature, and overall quality can be maintained during serving hours. Recipes will be standardized for quality, yield, cooking procedures, serving containers/utensils, and portion size.
- 11.7.3 Whole meat, vegetarian, and vegan proteins and "center of the plate" entrée choices will be provided at every meal, without over-reliance on processed foods, frozen foods, or carbohydrate-based entrees. Each meal must include a sufficient number and variety of vegetarian and vegan foods so that an individual can easily maintain a vegetarian or vegan diet. Minimum variety standards for each meal shall be mutually agreed to by Vendor and University's Contract Administrator.
- 11.7.4 Each meal must include a sufficient number and variety of low calorie, low fat, and low cholesterol foods so that an individual can easily maintain a low fat/low cholesterol diet without requesting special foods or preparation; Minimum variety standards for each meal shall be mutually agreed to by Vendor and University's Contract Administrator.
- 11.7.5 Throughout all Residential Dining meal times, Vendor will provide a Service Station featuring foods provided without milk, eggs, peanuts, tree nuts, shellfish, wheat and soy, at a minimum, free of lactose, nut, dairy, and shellfish, and incorporating Vendor's "Avoiding Gluten?" program. Vendor's "Avoiding Gluten?" program aids guests in identifying menu options that have been prepared without gluten ingredients, it being understood that, because Vendor operates in open kitchens that handle gluten for the preparation of other menu items, and because guests have access to the service areas, Vendor cannot guarantee that items made without gluten ingredients are "gluten-free," as defined by FDA regulations. Guests are encouraged to speak to the Chef or Manager regarding any questions about the ingredients contained in food.
- 11.7.6 Bakery items shall be produced in Vendor's Premises wherever feasible with existing baking facilities and equipment. Pre-prepared mixes and doughs are permissible, but every attempt shall be made to provide products that are "homemade." Sandwich breads, hamburger and hot dog buns, bagels, English muffins and other such items may be purchased from commercial bakeries.
- 11.7.7 Leftover foods shall be kept to a minimum, refrigerated as necessary in shallow pans after each meal, properly covered, labeled with product name and date and used

promptly. Leftovers cannot be frozen and shall be served as an extra selection within 24 hours. Under no circumstances shall leftovers be used to replace any approved menu selection.

11.8 Service Standards.

- 11.8.1 Hot foods shall be served hot (above 140 degrees Fahrenheit) and cold foods shall be served cold (below 40 degrees Fahrenheit).
- 11.8.2 Vendor shall use merchandising and food presentation techniques that showcase the products offered and have strong eye appeal.
- 11.8.3 All food shall be garnished for attractive presentation wherever possible. Serving stations, salad bars, and food display areas shall be decorated at all times with seasonal displays, flowers, etc. Food items at the service stations and salad bars shall be readily identifiable with attractive, professionally produced, and individual labels.
- 11.8.4 Any food appearing discolored, unappealing or not in a proper state of freshness shall not be served. Vendor shall adhere to the general food service industry guide: if you are not willing to purchase or consume the product yourself, it should not be displayed.
- 11.8.5 All serving stations and bars are to be well stocked throughout the entire posted serving times until 15 minutes after closing to allow late students to be served. The last customer is to be offered the same range of choice as the first.
- 11.8.6 Certain food accompaniments shall automatically be served with some dishes and placed in the condiment section. Other accompaniments such as sauces, sugar and cream, ice and butter shall be placed as close to corresponding food or beverage as possible.
- 11.8.7 Display and serving areas shall be clean, sanitary, orderly and attractive at all times. Any spillage or soiled spots shall be removed promptly from counters, steam table pans, general serving and dining areas and floors. Broken items shall be promptly removed from the area.

11.9. Special Event Meals. Vendor will provide a number of special event meals annually, including in conjunction with major University events and holidays. Special Event Meals will include appropriate dining room and service area decorations, and provision of entertainment is encouraged. The schedule of Special Event Meals shall be as mutually agreed to by Vendor and University as part of the annual Strategic Action Plan.

11.10 Educational Programming. Vendor will provide a number educational programs and events annually, including partner programming with University departments and academic units, to educate and influence student behavior in the areas on nutrition and sustainability, with schedule of events as mutually agreed to by Vendor and University as part of the annual Strategic Action Plan.

- 11.11 Special Diets. Vendor shall provide special diets for students when approved in writing by a physician and University's Contract Administrator or designee. Vendor's dietitian shall assist the Residential Dining Food Service Manager in providing daily special diet choices. The cost charged to University for provision of the diet shall not exceed the contract cost based on Vendor's daily rate. Vendor shall maintain written documentation of approved special diets and, as requested, provide to University's Contract Administrator for review.
- 11.12 Reserved.
- 11.13 Student Pre-Semester Meals. Meal service for student personnel of the Department of Residential Life and other departments University deems essential to be on campus prior to the beginning of the Fall or Spring terms, shall be negotiated between University and Vendor and in no event shall the charges for providing said meals be less than the actual cost to provide, unless mutually agreed upon between University's Contract Administrator and Vendor.
- 11.14 Special Meals. University may request special meal service (e.g. floor dinners/picnics, moonlight breakfasts) a minimum of seven (7) calendar days in advance. Such service shall be requested in advance and shall be held in accordance with the policies and procedures developed by University. When the food cost associated with this service exceeds Vendor's average daily cost per meal served, Vendor is authorized to charge group an upcharge equal to the excess cost.
- 11.15 Meal Swipe Donations. Vendor shall participate in "Meal Swipe Donations" sponsored by University by providing a monetary contribution to a University chosen charity in an amount equal to the food cost associated with the voluntary reduced participation of Residential Dining Food Service diners on a given day. University will then donate this contribution to the chosen charity.
- 11.15.1 University and Vendor shall mutually agree to the number of meals a student may donate per event and limit these programs to two (2) per year.

## ARTICLE XII RETAIL FOOD SERVICE

- 12.1 Service Locations. Vendor's exclusive rights to manage and operate University's Retail Dining and Convenience Store locations shall not include any retail dining locations leased to third parties that the University assumes as part of property acquisition associated with the Gateway District. Should lessees displaced by such property acquisition wish to relocate to University property, Vendor shall have exclusive rights to manage and operate such retail dining locations as subcontractors to Vendor, excluding locations at the student union, Great Basin Hall, and athletic facilities. Any such relocated lessee shall not replace an existing vendor unless mutually agreed upon by Vendor and University. Retail locations to be operated by Vendor at the Student Union are subject to the terms set forth in Attachments 12 and 13.
- 12.2 Service Days and Hours. Retail Dining and Convenience Store service days and service hours shall support student lifestyles, as identified in the Strategic Action Plan mutually agreed upon by Vendor and University, approved by University's Contract Administrator.
- 12.3 Methods of Payment. Vendor shall accept cash, credit cards, debit/check cards, brand restaurant gift cards, and University Foodbucks/Wolfbucks accounts associated with Residential Dining meal plans, as payment in all Vendor's Retail Dining and Convenience Store locations.
- 12.4 Retail Dining and Convenience Store Operations.
- 12.4.1 Vendor's Retail Dining and Convenience Store operations shall include a broad selection of culturally diverse concepts and offerings taking into consideration the shifting ethnic, racial and international demographics of the community. The concept mix shall be mutually agreed to by University and Vendor.
- 12.4.2 Each Retail Dining and Convenience Store operation shall offer a sufficient number and variety of vegetarian and vegan entrees and other foods so that an individual can easily maintain a vegetarian or vegan diet. For each operation, minimum variety standards for these foods shall be mutually agreed to by Vendor and University's Contract Administrator.
- 12.4.3 Each Retail Dining and Convenience Store operation shall offer a sufficient number and variety of low calorie, low fat, and low cholesterol foods so that an individual can easily maintain a low calorie/low fat/low cholesterol diet. For each operation, minimum variety standards for these foods shall be mutually agreed to by Vendor and University's Contract Administrator.
- 12.4.4 Wherever feasible, Vendor will use just in time or cook to order food preparation methods in its Retail Dining operations.
- 12.4.5 All Retail Dining operations shall offer bundled meal options (ex: entrée + side + drink) as part of its pricing structure to customers, except as otherwise specifically agreed by University's Contract Administrator.

- 12.4.6 University reserves the right to request a survey at University's expense to determine the acceptability of proposed brands/concepts prior to implementation.
- 12.4.7 For all Retail Dining operations, including branded concepts, the cost of equipment, trade dress and other materials not already provided by University shall be part of Vendor's Capital Investment, subject to the financial terms and provisions of Section 15.16.
- 12.4.8 For all Retail Dining and Convenience Store operations, Vendor shall understand the volume of business at different day-parts, and staff accordingly to provide maximum service at all times, including peak meal times.
- 12.4.9 Vendor and University shall mutually agree upon programs that will offer patrons the ability to order items via mobile application, on-line, and/or by telephone. Hours of availability and order pick-up locations shall be mutually agreed upon by University and Vendor. If mobile ordering is offered, Vendor will provide such service exclusively through Vendor's Mobile Ordering platform at no additional cost to the customer or the University.
- 12.5 Branded Concepts and Vendor Brands. As part of its Retail Dining venue mix, Vendor is encouraged to offer as many local, regional, and national Branded Concepts as deemed appropriate or financially feasible by the Vendor. Vendor shall operate Branded Concepts at University's Premises under the conditions set forth below. Food choices should reflect the diversity of the student, staff and faculty of the University.
- 12.5.1 Intentionally omitted.
- 12.5.2 Vendor shall bear all the expenses for furnishing any and all Branded Concepts and Vendor Brands free of all franchise and/or license fees to University.
- 12.5.3 Vendor shall control all aspects of the Branded Concepts and Vendor Brand operations, including menus, recipes, pricing, staffing and hours of operation (as required by each Branded Concept and Vendor Brand license agreement).
- 12.5.4 Representatives of the licensors/franchisors of Branded Concepts shall be allowed access to the Premises during reasonable business hours for quality assurance inspections of the Branded Concepts.
- 12.5.5 To the extent practical, Vendor shall notify University ninety (90) calendar days in advance of any termination or expiration of a license or franchise agreement related to a Branded Concept or Vendor Brand. Vendor and University shall mutually determine what operation, if any, shall replace the concept. In any event, all Branded Concept and Vendor Brand operations shall terminate upon termination or expiration of this Agreement.
- 12.5.6 Upon termination or expiration of this Agreement, for all Vendor Brands, Vendor shall remove all trade dress and proprietary equipment owned by Vendor.

12.6 Convenience Stores.

12.6.1 Products. Vendor shall provide products popular with student lifestyles in the convenience stores; the product mix shall be mutually agreed to by University and Vendor. Products such as heat-n-serve, canned and frozen products, snack items, beverages, health and beauty, basic school supplies, grab and go, and other products commonly purchased by students shall be readily available. Other foodservice items that are manually produced by Vendor shall also be available for sale. In the event that this is the only venue open to students and the campus community, University may request that the vendor expand the offerings for a temporary period of time to include such items as brewed coffee, pastries, salads, and sandwiches with disposable utensils.

12.6.2 Dated Products. Products shall not be left on the shelf past the pull-dates. If necessary, price reductions shall be made to move the product quickly as the pull-date approaches.

12.6.3 Merchandising. Vendor shall apply standard industry merchandising techniques in the stocking and display of products for sales.

12.7 Special Promotions and Special Events. On a year-round basis, Vendor will provide a number of monthly Special Promotions and Special Events in its Retail Dining and Convenience Stores, with the schedule as mutually agreed to by Vendor and University as part of the annual Strategic Action Plan. Vendor shall participate in major university events and holidays by offering appropriate dining service specials that complement these events, including dining room and service area decorations.

12.8 As part of the development of the Strategic Action Plan, Vendor shall conduct an annual Market Basket survey of the local restaurant competitive environment, and a separate Market Basket survey of the local grocery/convenience store competitive environment. Products to be benchmarked shall be mutually agreed to by Vendor and University's Contract Administrator.

**ARTICLE XIII**  
**CATERING SERVICES AND SUMMER CONFERENCE DINING**

- 13.1 Vendor shall have non-exclusive rights to manage and operate Catering Services at the Premises, and at any new or relocated Catering Services locations at the University campus. Note: Attachment 14 governs responsibilities for catering in the Joe Crowley Student Union.
- 13.2 Catering Services. The Vendor shall develop and furnish a complete Catering program that is consistent with the high-quality image that University projects to its internal and external publics. All Catering events must be conducted in a first-class, professional manner with regard to creativity, presentation, quality of food and service. The following shall be minimum requirements of the program:
- 13.2.1 Vendor shall provide a professional, web-based software platform for menu access, ordering, confirmation, and invoicing of Catered events. Information to be available on the Catering platform shall include but not be limited to the following:
- 13.2.1.1 All standard Catering menus, with pricing, with liberal use of professional illustrative photography of available offerings;
- 13.2.1.2 All Catering policies;
- 13.2.1.3 All Catering service charges and ancillary fees.
- The Catering software system shall be accessed via link on the Dining Services Program website. Vendor shall be responsible for confirming the receipt of all orders or change orders within 24 hours of receipt.
- 13.2.2 Vendor shall provide a comprehensive and culturally diverse catering menu, encompassing breakfast, lunch, dinner, beverage/snack breaks and receptions, and offering a wide variety of price ranges, to meet the intent of the program. Where financially feasible, Vendor shall incorporate use of locally sourced offerings in developing its menus. At least twice annually, Vendor shall update its Catering menus to reflect incorporation of new menu choices, particularly those that showcase seasonally available options.
- 13.2.3 Vendor shall be sensitive to the differing needs of various university constituencies and recognize that creative menus and culturally aware service techniques are required to support University's reputation for excellence and innovation, as well as the diversity of its community.
- 13.2.4 Due to operating budgets, University personnel are often sensitive to price. Vendor's Catering menus shall be flexible enough to provide serving sizes and service options that will accommodate these concerns. The catering program must be priced competitively to the local area, as evidenced by an annual Market Basket survey of the competitive environment in conjunction with the development of the Strategic Action Plan. Menu items to be benchmarked shall be mutually agreed to by Vendor and University's Contract Administrator.

- 13.2.5 Vendor must provide a minimum of four (4) tiers of service similar to those described below to maximize service to customers.
  - 13.2.5.1 Budget Service: Foods and beverages available for pick up with no Vendor set up or bus service.
  - 13.2.5.2 Value Service: Drop off buffet service with limited set up and bus service limited to clean up.
  - 13.2.5.3 Full or Premium Service: Buffets or served meals with full wait staff and bus service.
  - 13.2.5.4 Student Catering: Budget friendly menu available to Student Services staff and registered student organizations in support of student and resident activities.

Vendor shall develop and document event and service standards for each service tier, subject to University review and approval.

- 13.2.6 Vendor must honor the specific commitments of menus, prices, and other arrangements made by the previous Vendor, and known by University, for catering service prior to beginning of this contract.
- 13.2.7 Vendor shall be responsible for the proper training of any employee assigned to catering events.
- 13.2.8 The Vendor shall ensure that events are adequately staffed so that customers are served promptly, efficiently and professionally at all times, and that meet or exceed the level of service expected by the customer and University. The following minimum staffing guidelines will be used:

Buffet Lunch or Dinner	1 server per 25 guests
Served Lunch or Dinner	1 server per 16 guests
Receptions	1 server per 40 guests
Bartenders	1 server per 75 guests

- 13.2.9 The Vendor shall ensure that events are completely set up and ready for service at least thirty minutes prior to the scheduled event start time. Vendor shall coordinate room set-ups with University building managers or staff in advance.
- 13.2.10 All catering equipment, garbage generated by Vendor, and supplies must be removed by Vendor within two (2) working hours after the close of the event or 30 minutes prior to the next scheduled event should same venue is being used for a subsequent event in less than two hours.
- 13.2.11 University catering events may occur at many different locations on the campus and occasionally off site. The Vendor's Catering Director/Manager will be required to work



closely with the appropriate University departments and contacts in order to ensure the highest quality of service, regardless of the location of the event.

13.2.12 At least once annually, Vendor shall, at Vendor's cost, host a Catering Showcase for University catering arrangers to highlight new products and presentation capabilities.

13.2.13 China, glass, silver and paper service ware used for catered events shall be of superior quality. Minimum service ware standards shall be mutually established and agreed to by Vendor and University based on event type and location. The Vendor shall be solely responsible for securing its equipment promptly at the closing of an event. When not available from the Vendor's standard catering equipment inventory, the Vendor must supply or rent specialized catering equipment as a pass through expense to the event sponsor, without mark up.

13.3 Approvals. Catering menus, pricing, portion servings, policies, and service charges shall be subject to University review and approval prior to dissemination.

13.4 Catering Space. University shall control the space commitment and scheduling of authorized University catered events.

13.5 Furniture Set-Up. University shall work with the individual or department responsible for the venue's furniture set-up and tear down, excluding catering equipment and supplies, food, and catering generated waste, which shall be the responsibility of Vendor.

13.6 Event Admissions Control. Vendor shall be responsible for control of admissions and collection of tickets for catered events where required.

13.7 Invoicing and Collections. Vendor shall be responsible for the invoicing and collection of all Vendor catered functions. Vendor shall accept purchase orders, departmental funds, checks, cash, credit cards, and debit/check cards as payment for catered events. If a University invoice is past due and Vendor has followed all steps of the approval and signature process and has a valid purchase order number, then the University's Contract Administrator or designee shall intercede to expedite payment of the invoice. Nothing in this section shall be construed to relieve University of responsibility for payment for catering services provided to recognized University departments and organizations.

13.8 Billing Non-University Patrons. Vendor shall be responsible for invoicing and collection for all amounts due from Non-University groups, except when University, Vendor, and other parties agree otherwise in writing. Catering performed for a third party shall require a fifty percent (50%) deposit upon booking with the remaining fifty percent (50%) due the day of the event.

13.9 Catering Meetings.

13.9.1 Vendor shall be required to attend University event planning meetings to review catering needs and orders as required.

13.9.2 Vendor shall meet a minimum of quarterly with University to evaluate the catering program and, as necessary, make revisions to improve overall service.

- 13.10 Town and Gown. To preserve “Town and Gown” relations with the University and local community, Vendor shall not directly solicit non-University related catering off-campus unless pre-approved by University. Vendor may and is encouraged to accept catering business from the general community when the business is not directly solicited by Vendor. University reserves the right to pre-approve such business.
- 13.11 Summer Conference Service. A summer conference service, as Residential Dining program, may be implemented by University if conference residential participants warrant such a service. The cost of the service shall be negotiated between University Vendor.
- 13.11.1 Vendor shall proactively partner with the University to provide food service for conferences and events occurring over the Summer term and throughout the year.
- 13.11.2 As part of the Strategic Action Plan, Vendor shall provide proposed rates for summer conferences to University for the ensuing year, no later than July 1 of the current year. If requested by University, periodic meetings shall be held throughout the year to determine the pricing format, services desired, conference schedules, numbers, dates, desired feeding locations, and any other pertinent information.
- 13.11.3 Menus may be varied to suit the clientele, but the meals shall be provided with service, food preparation, and presentation at a level of quality at least equal to that of the regular academic year.
- 13.11.4 Vendor must honor the specific commitments of menus, prices, and other arrangements made by the previous Vendor, and known by the University, for conference and event meals prior to beginning of this contract.

**ARTICLE XIV**  
**ATHLETIC CONCESSIONS FOOD SERVICES**

Not In Contract

## ARTICLE XV FINANCIAL ARRANGEMENTS

- 15.1 Financial Structure. Except as otherwise authorized in this Agreement, Vendor shall operate the Dining Services Program on a profit and loss basis, whereby Vendor shall collect all Sales Revenue and pay all Vendor Paid Allowable Expenses. In the event that Vendor Paid Allowable Expenses, as defined in Section 15.1.1, exceed Sales Revenue, Vendor shall be responsible for the loss. In the event that Sales Revenue exceeds Vendor Paid Allowable Expenses, Vendor shall retain the surplus. The costs incurred in connection with the Dining Services Program will be categorized as follows:
- 15.1.1 Vendor Paid Allowable Expenses. Amounts incurred and required to be paid for by Vendor that are directly attributable to the operation of the Dining Services Program and can be included as a cost, charge or expense for purposes of calculating Vendor proceeds.
  - 15.1.2 University Paid Expenses. Dining Services Program expenses paid for by University.
  - 15.1.3 Unallowable Vendor Overhead Expenses. Overhead costs to be paid by Vendor and not included as an allowable cost, charge or expense for purposes of calculating Vendor's proceeds.

The following paragraphs set forth these categories.

- 15.2 Vendor Paid Allowable Expenses. Except where otherwise noted, Vendor will be responsible for all cost charges and expenses incurred in connection with the Dining Services Program, to be fully expensed in the year incurred. Cost charges and expenses shall include the following, and only the following, amounts directly attributable to the operation of Vendor's Dining Services Program at University of Nevada, Reno:
- 15.2.1 All Food, Beverages, and Operating Supplies without procurement charge
  - 15.2.2 Salaries, wages, and other compensation (if any) of employees assigned to the Premises only, including a payroll administration charge of zero (0%); Temporary labor agencies expenses may also be included, if approved by the University's Contract Administrator;
  - 15.2.3 Payroll taxes; A flat charge of 45.8 percent of gross payroll will be reflected in Vendor's operating statement to cover payroll taxes and employee benefit costs. Such costs include medical plans, life insurance, FICA, FUI, SUI, Workers' Compensation insurance, state disability insurance, 401(k) and payroll and benefit plan preparation and processing, and costs imposed due changes in any federal, state or local law including regulatory or legislative mandates, and legal costs. This rate may change as benefit, tax and other associated costs change.
  - 15.2.4 Accrual for Repair and Maintenance Fund
  - 15.2.5 Relocation expenses for members of Vendor's On-Site Management Team;

- 15.2.6 Employee background checks and other hiring costs for non-management personnel;
- 15.2.7 Direct employee training expenses, as identified in the University approved Strategic Action Plan;
- 15.2.8 Uniforms;
- 15.2.9 Laundry, cleaning, and linen purchase/rental;
- 15.2.10 Paper supplies and disposable ware;
- 15.2.11 Insurance
  - 15.2.11.1 All insurance as required by the University under the terms of this agreement;
  - 15.2.11.2 Worker's Compensation based on average manual rates;
- 15.2.12 Utilities as defined in Section 2.41 whether metered or assess via University recharge schedule by assigned square footage.
- 15.2.13 Local bank service fees (net of interest);
- 15.2.14 Credit and debit card transaction fees
- 15.2.15 Local, long distance, and cellular telephone service and/or data service;
- 15.2.16 Office supplies, freight, and postage;
- 15.2.17 Office equipment (computers, printers, and small business equipment);
- 15.2.18 Software licensing and/or software maintenance fees, including software maintenance and support for University's Electronic Access System;
- 15.2.19 Housekeeping, custodial, and sanitation supplies and/or janitorial services;
- 15.2.20 Recycling removal from designated collection areas and from dock;
- 15.2.21 Compost/oil removal from dock
- 15.2.22 Pest and insect control;
- 15.2.23 Cost of subcontracted services, only as specifically approved by the University;
- 15.2.24 Materials, advertising, and other direct costs of implementation of on-site Vendor's Marketing Plan;
- 15.2.25 Equipment maintenance and repair costs for Vendor owned equipment;
- 15.2.26 First Aid supplies and equipment;

- 15.2.27 Equipment rental;
- 15.2.28 Decorative materials for use in Vendor's service locations, catering, and/or events;
- 15.2.29 Memberships for on-site personnel in local or national professional associations;
- 15.2.28 Amortization of Pre-Opening/Transition Expenses, Office Equipment and Capital Investments (straight line method);
- 15.2.29 Smallwares replacements required to maintain University par stock levels;
- 15.2.30 Remittance of collected Sales Tax and any taxes levied by local, state or federal governments and agencies;
- 15.2.31 License and franchise fees only as specifically approved by University's Contract Administrator;
- 15.2.32 Costs associated with unexpected expenses due to the interruption of utility services (gas, water, and electric);
- 15.2.33 Commissions payable to the University;
- 15.2.34 Cash escort services;
- 15.2.35 Health, Safety, and Sanitation inspection fees;
- 15.2.36 Costs associated with the permitting, use and maintenance of University approved delivery vehicles as required for the operation of the Dining Services Program;
- 15.2.37 Security systems;
- 15.2.38 Any property tax on Vendor's property, it being understood that University is responsible for property tax on University property;
- 15.2.39 Telephone equipment, data line installation, University supplied e-mail addresses, and internet services;
- 15.2.40 Trash removal from designated collection areas and from dock;
- 15.2.41 Utility service;
- 15.2.42 Parking permits for Vendor's On-Site Management Team;
- 15.2.43 Contributions and donations to the University, and University scholarships;
- 15.2.44 Performance Bonds, as required by University;
- 15.2.42 All other direct costs of operation mutually agreed upon and not paid by the University.

15.2.43 All other costs reflected in Vendor's P&L statement, including Rent Other, STAFF Timeclock Charge, Sales Promotion, Merchandising, Merchandising Materials, Travel and Lodging, Meals and Entertainment, YOU FIRST Program, Rent Office Equipment and IT Charges, STAFF Software Charges, Outside Services, Professional Fees, Printing, Licenses, Supplies Cleaning, Webtrition, Recruiting, Dues and Subscriptions, Flowers, Armored Car, Bank Charges, Training, Meal Card System, CHAT and Other Training, Cred Card Disc, Investment Charges, and Miscellaneous Charges.

15.3 University Paid Expenses. The University will provide and pay the following annually on behalf of the Dining Services Program operation:

15.3.1 Costs associated with the University's Dining Services Program sanitation obligations, as outlined in Section 5.12;

15.3.2 Disposable serviceware costs resulting from University owned dishwashing facilities malfunction as outlined in Section 5.9.3;

15.3.3 Product loss resulting from University owned equipment malfunction; unless malfunction was due to interruption of utility service (gas, electric, and water);

15.3.4 Property Insurance on Premises and all University owned property contained therein, which may be provided through self-insurance;

15.3.5 Suitable office facilities for Vendor management staff, furniture, and for use by Vendor in fulfilling its obligations to the University;

15.3.6 University owned Capital Equipment and Furnishings in campus dining locations for use by Vendor in fulfilling its obligations to University.

15.3.7 Sales tax upon University's sale of meal plans and property tax, if any, upon University's real or personal property.

15.4 Unallowable Vendor Overhead Expenses. Except where specifically and otherwise agreed to in advance by the University, Overhead Expenses to be paid by Vendor and not included as an allowable cost charge or expense include, but are not limited to, the following:

15.4.1 Wages, salaries, taxes, employee benefits, and bonuses of home office employees and general administrative, executive, and management officers;

15.4.2 Corporate or regional office accounting expenses including the costs of producing financial reports;

15.4.3 Home office management costs such as general management overhead, transportation of management personnel, and any other indirect management costs as related to the contract;

- 15.4.4 Equipment maintenance or repairs of University owned equipment necessary as the result of the acts or omissions of Vendor or its employees;
- 15.4.5 Monies or other property lost or stolen, either on or off the University's Premises;
- 15.4.6 Inventory interest or carrying cost;
- 15.4.7 Excessive overtime pay
- 15.4.8 Legal expenses, except legal services directly attributable to services provided under this agreement.
- 15.4.9 Costs for any Vendor employee to attend seminars or conferences of any type except as agreed to in advance by the University;
- 15.4.10 Travel expenses of all personnel above the General Manager;
- 15.4.11 Vendor's personal use of facilities;
- 15.4.12 Cost of additional expenses due to equipment malfunction resulting from acts or omissions of Vendor or its employees;
- 15.4.13 Any other cost or expense not expressly set forth herein as an Allowable Expense.

15.5 Meal Plans Sales.

15.5.1 Residential Dining resident meal plan pricing to University customers will be established by the University annually by July 1 and documented in Attachment 3. Board rates and prices for other Products and Services may increase in each subsequent year by an amount to be negotiated, taking into account population, hours of operation, other conditions, labor costs (including but not limited to benefits and insurance costs), product costs, fuel costs, federal, state and local tax structure, any change in federal, state or local law including regulatory or legislative mandates, any other levy or tax that impacts Vendor's services, and variances between operating conditions as described by University prior to execution of this Agreement and actual operating conditions during the Term, including without limitation student population, maintenance expenses and utility costs. Changes in board rates and prices shall be equal to the CPI/Wage Adjustment, described below, unless the parties otherwise agree. The "CPI/Wage Adjustment" means an adjustment to rates and prices based on (1) the increase over the prior year in labor cost (wages and benefits) for Chartwells' operations at the Premises ("Labor Adjustment") and (2) the increase over the prior year in the "Consumer Price Index", published by the Bureau of Labor Statistics of the United States Department of Labor (San Francisco – Oakland – San Jose, CA) (1982-84=100), or any successor index thereto, appropriately adjusted, provided that if there is no successor index a substitute index shall be reasonably selected, measured for the twelve month period ending April 30. This adjustment will be accomplished by applying the Labor Adjustment percentage to the portion of Chartwells' operating costs related to labor, and the CPI to the remaining portion of Chartwells' operating costs. It is further agreed that with respect to national brands, pricing will be competitive with



prices available in the community outside Client's campus, and price adjustments to such items will be permitted during the academic year.

15.5.2 Residential Dining non-resident meal plan pricing to University customers will be established by the University annually by July 1, in consultation with Vendor, and documented in Attachment 3.

15.5.3 The University will sell Resident and Non-Resident Meal Plans to students and pay Vendor a daily rate for the provision of residential all you care to eat service, as documented in Attachment 4.

15.5.4 Door pricing, cash equivalencies, and meal exchange rates for all you care to eat operations will be established annually by the University in consultation with the Vendor and documented in Attachment 4.

15.6 Vendor's Daily Rates for Residential Dining Service.

15.6.1 The University will pay Vendor for residential all you care to eat service based on the Daily Rates set forth in Attachment 4.

15.6.2 Based on the total number of meal plan participants, the University shall pay Vendor the Daily Rate for each plan, multiplied by the number of meal plan participants in that plan.

15.6.3 The number of meal plan participants, by plan type, will be determined by University's beginning of semester housing census and meal plan count. University shall provide as needed, an updated report throughout the semester to Vendor.

15.6.4 Vendor's Daily Rates shall not include Meal Plan Food Bucks/ Wolf Bucks, which will be reimbursed to Vendor by the University, based on actual expenditures in Vendor's operations.

15.6.5 Daily rates are inclusive of guest meals associated with meal plans. Daily Rates are inclusive of all cash equivalencies and/or meal equivalencies, as defined in Attachment 4.

15.6.5.1 Vendor's Daily Rate charges to the University for the provision of residential all you care to eat service will be established annually. Vendor's requests for Daily Rate increases must be predicated on increases to the cost of doing business and shall require substantiation in the form of changes to labor projections, wage/benefits rates, food costs, related operating costs, and changing program needs. Daily rate increases will be negotiated in good faith between the Vendor and the University, with approval at the sole option of the University; approval shall not be unduly withheld. This provision is subject to Section 15.5.

15.6.5.2 The Vendor will not alter prices once approved by the Contract Administrator without obtaining further approval and must be able to justify

that proposed price increases are the result of legitimately escalating costs of doing business.

15.6.5.3 Except in the case of a Residential Dining related Material Change as defined in Section 16.23, in no case can the Vendor apply for a year to year percentage price increase that exceeds the formula referenced in Section 15.5.

15.6.6 Adjustments in Residential Dining Plans. Vendor shall make refunds to those contract holders who begin participation in a plan and subsequently cancel the contract or withdraw from the University during the contract period so long as the withdrawal meets University's withdrawal procedures.

15.6.7 Partial Board Day Allocations. Residential Dining charges for partial days shall prorate the per day rate, per type of meal plan as follows:

Breakfast – Daily rate multiplied by .20

Lunch – Daily rate multiplied by .35

Dinner – Daily rate multiplied by .45

Brunch – Daily rate multiplied by .50

Dinner when Brunch is served – Daily rate multiplied by .50

15.7 Retail Dining, Convenience Store, and Catering Pricing. The Retail Dining, Convenience Store, and Catering pricing submitted in Vendor's response to University's RFP shall be the prices put into effect for the first year of the contract, subject to final contract negotiation. For subsequent years of the Agreement, prices will be determined in conjunction with the development of the annual Strategic Action Plan process and in accordance with Section 15.5.

15.7.1 Vendor must maintain reasonable Retail Dining, Convenience Store, and Catering pricing that is competitive with off campus service providers in the area offering similar products, as evidenced by a mutually agreed to annual market basket survey for each service, conducted by the Vendor and presented to University's Contract Administrator as part of the annual Strategic Action Plan process. Specifically, the following provisions will apply:

15.7.1.1 Vendor requests for pricing increases must be predicated on increases to the cost of doing business and shall require substantiation in the form of changes to labor projections, wage/benefits rates, food costs, related operating costs and changing program needs. Price increases will be negotiated in good faith between the Vendor and University in accordance with Section 15.5.

15.7.1.2 Vendor will not alter prices and/or portion sizes once approved by University's Contract Administrator without obtaining further approval, to be agreed upon in accordance with Section 15.5, and must be able to justify that proposed price increases are the result of legitimately escalating costs of doing business.

15.7.1.3 Intentionally omitted.

15.7.1.4 Agreed to pricing adjustments shall go into effect per the mutually agreed upon date between the University and the Vendor.

15.8 Conference Pricing. The prices for University-sponsored Conferences shall be established by mutual agreement between University, its representatives from individual departments, and Vendor. The University and Vendor shall mutually agree upon Vendor's pricing schedule, in accordance with Section 15.5, no later than July 1<sup>st</sup> of each prior year of the contract term.

15.9 Temporary/Emergency Price Increases. All temporary/emergency price increases that have University approval go into effect one (1) week after their approval. These emergency price increases shall be reviewed monthly and at the point that the emergency no longer exists, prices shall be reduced to the approved annual price. When there is an emergency situation, temporary price adjustment requests shall be considered for those items where a dramatic cost differential exists.

15.9.1 Requests for price increases in any area must be accompanied by as many of the following factors listed below as applicable:

- Menu item(s) impacted;
- Changes in menu, points-of-service, additions or levels of service provided which have been previously approved by University;
- Verifications/substantiation of any other cost factor through submission of supplier invoices over the previous six-month span;
- Current/anticipated product cost;
- Current/projected number of items sold per day for retail operations;
- Current/anticipated participation (Residential Dining);
- Comparison to retail operating situations in the geographic area;
- Applicable local, regional and national statistical data.

15.10 Commissions.

15.10.1 Vendor shall pay the University the following commissions on a monthly basis, with increasing rates applying to incremental Retail Net Sales at the thresholds set forth in the following table. Commissions on catering and conference sales will be in accordance with the second and third tables respectively. For ease of reference, the Schedule of Payment shall be documented annually in Attachment 7. Commissions shall be inclusive of Food Bucks revenue.

<b>Commission Percentages All Retail Sales</b>	
Up to \$6M	19% of Net Sales
\$6M-\$7M	21% of Net Sales
Over \$7M	23% of Net Sales

Commission Percentages All Catering Sales	
Internal (on University premises or University funded)	17% of Net Sales
External (off premise or non-University funded)	20% of Net Sales

Commission Percentages All Conference Sales	
Conferences	15% of Net Sales

15.10.2 Intentionally omitted.

15.10.3 Vendor shall not be reimbursed for commissions paid on uncollected accounts.

15.10.4 Payments of commissions shall be made to University by Vendor on or before the 20<sup>th</sup> calendar day following the last day of the Vendor's Accounting Period in which the commissions were earned. Vendor shall prepare and provide a mutually agreed to statement of sales and commissions for each Accounting Period and shall submit such statement with the payment due to the University.

15.11 Billing and Payment. For retail operations and catering, the Vendor shall collect and deposit in its own bank all cash receipts. The Vendor shall submit invoices to University for all amounts due from the University under this Agreement at the end of each week. Payments by University shall be paid weekly and not more than thirty (30) calendar days after the receipt of the invoice, provided that Vendors' invoice is complete and accompanied by full documentation. For ease of reference, the Schedule of Payment shall be documented annually in Attachment 7. All services provided by Vendor pursuant to this Agreement shall be performed in accordance with the requirements of this Agreement, and in accordance with all applicable federal, state and local laws, ordinances, rules and regulations. Vendor shall not receive payment for work found by University to be unsatisfactory or performed in violation of any applicable federal, state, or local law, ordinance, or regulation.

15.11.1 Catering Billing. Vendor shall be responsible to invoice clients directly and collect amounts due. University shall cooperate with the Vendor in the collection of delinquent accounts involving University departments. Nothing in this paragraph shall be deemed to relieve University of responsibility for invoices for catering to University recognized departments and organizations.

15.11.2 Summer Conference/Camps Payments. Vendor shall be responsible for invoicing and collecting fees from summer conferences and camp customers as it relates to dining services fees. Uncollected debts shall not diminish payments owed to University.

15.11.3 Summer Board Payments. University shall be responsible for collecting contractual dining service fees from students and other customers. The student must enter into the meal plan with University. Uncollected debts shall not diminish payments owed to Vendor. Vendor shall be responsible for cooperating with University to assure

collection of fees by placing a "hold" on those contracts for which the debt has not been cured. University shall be responsible for providing Vendor with timely and accurate information about such matters.

15.12 Financial Reporting. The Vendor shall keep full, timely and accurate records in accordance with international financial reporting standards for all necessary Federal, State, County, and local forms and claims regarding the Dining Services Program, including any of Vendor's services that University may choose to utilize in the future. The Vendor shall provide the University's Contract Administrator with a complete set of monthly financial statements no later than the 15th day following the last day of each month. Financial statements will include the following:

15.12.1 Within fifteen (15) days of the close of each month, Vendor will be required to provide the University with monthly financial statements (for each operation and in aggregate), as well as other accounting reports as necessary showing the status of the program and the basis for both University and Vendor compensation. Each financial statement shall show budgeted vs. actual by sales type (cash, residential meal plans, voluntary meal plans, credit card, declining balance, etc.), budgeted and actual expense details, and Vendor profit/loss for both the period, year to date, as well as comparison to the previous fiscal year period and year to date. All reports shall be for the University's fiscal year.

15.12.1.1 The cost of supplies required to be purchased from a specific vendor as part of a franchise or licensing agreement for a Branded Concept shall be separated from other food and paper costs on accounting statements.

15.12.2 Monthly Commission report with revenue reported separately by retail location, catering, and concessions, reconciling commissions payable to the University with sales reported on the profit and loss statements.

15.12.3 Operating statistics for each dining location and in aggregate, including but not necessarily limited to the following:

15.12.3.1 Meal Plan participation by plan type.

15.12.3.2 Food cost per meal served in the all you care to eat locations.

15.12.3.3 Meals per labor hour by location.

15.12.3.4 Monthly guest counts by location and by meal period (breakfast, morning break, lunch, afternoon break and evening).

15.12.3.5 Average check for each retail location.

15.12.4 In addition to the above, the Vendor shall provide special reports and analysis of the dining program operations under the agreement as requested by University. These reports may include and not be limited to:

- 15.12.4.1 Participation reports detailing cash register transactions in various time increments (days, hours, 15-minute segments), dollars remaining in declining balance accounts;
  - 15.12.4.2 Special event records including a summary of the number of catered events, number of attendees at each event, type of event, and average check;
  - 15.12.4.3 Sales mix report for each retail location (sales breakdown by items sold);
  - 15.12.4.4 Per capita reports.
- 15.12.5 Upon request of University, Vendor shall meet with University to review each operating statement, explain deviations, discuss problems, and mutually agree on courses of action, to improve the results of the required services included in this Agreement. Operating statement adjustments required as a result of review and/or audit shall be identified and reflected in the next period statement.
- 15.12.6 Within thirty (30) days after the end of University's fiscal year, Vendor will be required to submit year-end financial statements for each operation and in aggregate, certified by the Chief Financial Officer of the company. While audited financial statements will not be required, the University reserves the right to audit at its sole expense, Vendor's books and records, at any time, with 48-hour notice.
- 15.13. Audits. University reserves the right to audit at any time any aspect of the services performed by the Vendor, it being understood that University shall take all reasonable steps to protect records containing proprietary or confidential information; Vendor shall not be required to make available to University confidential information such as purchasing agreements and personnel records. All Vendor records shall be kept in such a way that they may be readily audited by University, shall be consistent international financial reporting standards and budgets presented to University and conform to all applicable laws. Records will be kept for six (6) years from the date incurred (or longer if required by law) or until the final disposal of any claims or litigation arising out of the performance of this contract, whichever is longer.
- 15.13.1 Accounting records and documents shall be made available at Vendor's nearest district office. Vendor shall:
- 15.13.1.1 Provide University and/or its auditor's reasonable facilities for the examination and audit of the books and records.
  - 15.13.1.2 Make such returns and reports as required.
  - 15.13.1.3 Attend and answer under oath all lawful inquiries.
  - 15.13.1.4 Produce and exhibit such books and records as may be desired to be inspected.

- 15.13.1.5 In all things, cooperate with University and/or its auditors in the performance of its duties.
- 15.13.2 If any audit or examination conducted pursuant to this Section 15.13 reveals that Vendor underpaid the University an amount exceeding \$10,000, Vendor shall pay the difference plus the reasonable cost of the audit with respect to the period in which such underpayment occurred, otherwise, Vendor shall pay the difference plus the reasonable cost of the audit otherwise, University shall be responsible for the audit costs.
- 15.13.3 Contractor Independent Audits. The Vendor shall notify University of any independent audits scheduled of the Vendor's records and operations. University shall receive a copy of all reports indicating findings that affect University.
- 15.14 Credit. Vendor shall operate on its own credit, with no advance payments from University. Vendor shall pay all costs of operations from its own banking account.
- 15.15 Transition Service Charge  
University shall pay Vendor a monthly transition services charge of \$125,000 per month payable in August 2019 and September 2019, as compensation for additional services provided during the first two months of the Term including promotional events, free meals and tastings to promote participation, and other programming offered during the first two months of the Term in which Vendor provides additional benefits, services or goods.
- 15.16 Vendor Investments.
- 15.16.1 Pre-Opening/Transition Expenses. Vendor will fund one-time Pre-Opening Expenses ("Pre-Opening/Transition Expenses") on behalf of the Dining Services Program, at Vendor's sole expense and only as approved by University. Pre-opening/Transition Expenses include, but are not limited to, travel, meals, lodging, opening promotions and advertising, accounting and operating manuals and systems, interviewing and relocation, salaries and fringe benefits, crew training, and other expenses related to preparing for, and commencing services for the 2019-20 academic year. Pre-Opening/Transition Expenses shall not exceed \$200,000 and shall be included in the amortization schedule as part of the Vendor Capital Investments.
- 15.16.2 Capital Investments. Vendor expenditures ("Vendor Capital Investments") to fund capital improvements to the University's Premises shall require pre-approval by University. All Vendor Capital Investments as identified in Attachment 8 will be amortized on a straight-line basis either from the in accordance with Attachment 8. University shall hold title to all items funded by Vendor Capital Investments. If the Agreement expires or is terminated for any reason prior to the full amortization of the Vendor Capital Investment, University shall pay or cause its next Contractor to pay Vendor the unamortized portion, excluding proprietary equipment and signage utilized in the Branded Concepts operations, at zero percent interest. The amortization schedule is attached to this Agreement as Attachment 8. The foregoing notwithstanding, with respect to the Additional Signing Bonus of \$250,000 described in Attachment 8, in the event Vendor terminates this Agreement without cause

pursuant to Section 3.1.2, or in the event University terminates this Agreement for Cause pursuant to Section 3.1.4, the University shall not be obligated to repay the unamortized portion of such Additional Signing Bonus.

- 15.16.3 Vendor Office Equipment. Vendor agrees to purchase all office and computer equipment required for the successful execution of its internal operation of this Agreement, except for equipment specifically stated as University provided under the terms of this Agreement. Title of Vendor Office Equipment shall reside with the Vendor. All Vendor Office Equipment will be amortized on a straight line basis either from the Effective Date or from the date of expenditure, whichever is later, for a maximum term of 36 months or to contract expiration, whichever is less. All Vendor Office Equipment expenditures shall be fully amortized by June 30, 2029. Title to all Vendor Office Equipment shall reside with Vendor. If the Agreement expires or is terminated for any reason prior to the full amortization of Vendor Office Equipment, the unamortized portion of Vendor Office Equipment shall be considered a Vendor cost and shall not be reimbursed by the University, and the Vendor shall have the right to remove the Vendor Office Equipment. The amortization schedule is attached to this Agreement as Attachment 8.
- 15.16.4 Vendor Supplied Equipment. Vendor may provide, at its own cost and expense, any other equipment not provided by University, which Vendor deems necessary. Said Vendor Supplied Equipment and installation shall require prior approval of University. All capital equipment purchased by Vendor shall be straight line depreciated over the remaining years of the base contract term and University authorized extensions. The amortized value of any non-proprietary equipment purchased by Vendor shall become the property of University. Any unamortized equipment may be purchased by University at its discretion or by University's next contractor. Should neither University nor its next contractor want to purchase the unamortized equipment, then Vendor shall remove such equipment at Vendor's expense.
- 15.16.5 Repair and Maintenance Fund. Throughout the term of this Agreement, and any renewal extensions, Vendor, agrees to accrue a percentage of Net Sales for use of maintenance services (including preventive maintenance programs), parts, supplies and replacement of equipment. This amount shall be 2% of Net Sales. Expenditures from this accrual require approval of the Director of Dining and Residential Conference Services. At the end of each fiscal year, the Vendor shall provide a statement of all expenditures from this accrual and the remaining balance. The Vendor shall pay the University any surplus remaining in the accrual at the end of the contract. If this Agreement expires or is terminated for any reason, surplus remaining funds will be paid to the University and the Vendor shall have no further obligation as it relates to funding future equipment repairs.
- 15.16.6 University Technology System Fee. Throughout the term of this Agreement, the vendor is responsible for the yearly Blackboard Maintenance expense on their equipment used in association with the Campus WolfCard Program. Parties agree if the expense increases by more than 10% in any year, Vendor's responsibility shall be subject to mutual agreement of the parties.



15.16.7 Refresh/Improvement Fund. Beginning in the fourth year of the term, and continuing through the remaining term of this Agreement, and any renewal extensions, Vendor, agrees to provide the amounts shown in Table 1 of this Section monthly toward costs to capital upgrades / facility improvements for the Dining Services Program for improvements that will generate new revenue (the “Refresh/Improvement Fund”). Expenditures from the Refresh/Improvement Fund will be mutually agreed upon by the Parties. At the end of each month, unused sums in the Refresh/Improvement Fund, if any, will be retained in the Refresh/Improvement Fund until used. At the expiration or termination of the Agreement, University shall receive any unused balances in the Refresh/Improvement Fund and Vendor shall have no further obligation with respect to the Refresh/Improvement Fund as of the expiration or termination date. All equipment purchased with these funds will become the inventory property of University upon installation

Table 1	
Contract Year	Amount
2022-23	\$ 257,000
2023-24	671,000
2024-25	967,000
2025-26	1,224,000
2026-27	1,429,000
2027-28	1,614,000
2028-29	1,787,000
Total (assuming contract in effect to 6/30/2029)	\$ 7,949,000

For Vendor’s accounting purposes, the Refresh/Improvement Fund will be advanced and allocated each month in accordance with the Table 2 below. If the Agreement expires or is terminated, the Refresh/Improvement Fund due to University shall be prorated through the date of expiration or termination based on the monthly allocation in Table 2 below.

Table 2	
Month	% of sales/month
July	2.3%
August	6.7%
September	12.2%
October	13.6%
November	11.6%
December	8.2%
January	4.7%
February	11.0%
March	8.6%
April	11.6%
May	7.0%

June	2.5%
Total	100.0%

15.17 Vendor Donations. Throughout the term of this Agreement, and any renewal extensions, Vendor, as a component of its annual operating expenses, agrees to annually provide the following to the University department as determined by Vice President of Student Services or designee. It is understood that such contributions, except those specifically identified as cash, shall be calculated at the retail value of Chartwells' services, shall have no cash value, and may not be used for non-food and beverage items such as rentals and labor costs.

15.17.1 Catering Funds. Vendor shall provide annual catering funds for each of the following groups. These discretionary funds may be used by each group at any time during a fiscal year:

- Presidential Catering Fund \$20,000
- Student Catering Fund \$25,000

15.17.2 Discretionary Donation. Vendor shall provide annual discretionary cash donation of one hundred and fifty thousand dollars (\$150,000) for each year of the contract.

15.17.3 Food Insecurity. Vendor shall provide annual donation for an on-campus food pantry of fifteen thousand dollars (\$15,000) for each year of the contract.

15.17.4 Student Scholarships. Vendor shall provide annual cash donation of fifteen thousand dollars (\$15,000) for student scholarships for each year of the contract.

15.17.5 Land Grant Research Fund. Vendor shall provide annual cash donation of twenty thousand dollars (\$20,000) for land grant research for each year of the contract.

15.17.6 Evaluation Meal Plans. Vendor shall provide annual in-kind donation of meal plans having a retail value of Twelve Thousand Five Hundred (\$12,500) Dollars for evaluation the dining contract for each year of the contract.

15.17.7 Student Success. Vendor shall contribute to the efforts of student success by providing six (6) paid internships each academic year (estimated to date \$154,000 annually).

15.17.8 RD Meal Plans. Vendor will provide University with 13 meal plans for use of RDs at the price of \$10.64 per day. This price will increase each year by an amount equal to the percentage increase in the CPI/Wage Adjustment.

15.18 Intentionally Omitted.

15.19 Inventory of Food and Supplies. Upon termination of this Agreement, University shall either purchase, or require the succeeding Food Service Operator to purchase, Vendor's inventory of food and supplies at the invoice cost. All inventory purchases shall only be for product that is of merchantable and usable quality and reasonably necessary for the provisions of the Dining Services Program.

## ARTICLE XVI GENERAL TERMS AND CONDITIONS

### 16.1 Taxes.

16.1.1 Vendor shall bill, collect, and timely remit any applicable sales, use, or meal taxes on all meals and services for which Vendor collects revenue from Customers. Vendor shall bill and collect sales and use tax, if applicable, on purchases billed to University. Unless otherwise provided for by law, sales to University shall be deemed exempt from sales and use taxes. Notwithstanding the foregoing, University shall be responsible for sales tax, if any, upon its sale of meal plans, and for taxes, if any, assessed upon their real or personal property.

16.1.2 University shall not be responsible for any assessment of taxes, penalties or interest attributable to Vendor's failure to timely submit, remit or collect any known tax, tax filing or report. Vendor shall be responsible for its city, state or federal income taxes including any tax burdens or benefits arising from or attributable to its operations hereunder. This section shall survive termination of this Agreement.

16.2 Compliance with Regulations. Vendor shall comply with all governmental laws, ordinances, rules and regulations of the United States, the State of Nevada, University, or any department thereof, which in any manner apply to the operation and maintenance of the Dining Services Program and facilities. Vendor shall also comply with all state and local building, fire, health, zoning codes and/or regulations that apply to the operation of Vendor's Premises. Any reference to such laws, ordinances, rules, regulations, and codes shall include any amendments thereto.

16.3 Permits and Licenses. Vendor shall procure and keep current all permits and licenses, pay promptly all charges and fees, and give all notices necessary and incidental to the due and lawful operation of University's Dining Services Program. Vendor shall notify University immediately in writing in the event Vendor becomes aware of any lapse of any required permit or license that falls within the responsibility of University.

16.4 Insurance. Vendor shall not commence work under the Agreement until it has satisfied all the insurance requirements contained herein, subject to University approval. Vendor shall maintain all required insurance in force and effect throughout the term of the Agreement, including renewal periods.

16.4.1 Certificates of Insurance. Vendor shall, prior to execution of this Agreement, provide an ACCORD Certificate of Insurance to University. Each policy required herein, with the exception of the umbrella/excess liability policy, must contain a thirty (30) day notice of cancellation to all named and additional insured.

16.4.2 Workers' Compensation Insurance. Vendor shall provide workers' compensation insurance for all its employees in accordance with the statutory requirements of the State of Nevada, including Coverage B, Employer's Liability, at limits not less than \$100,000.00 bodily injury by disease per employee; \$500,000.00 bodily injury by disease

aggregate; and \$100,000.00 bodily injury by accident. In the case of subcontracted work, Vendor shall require the subcontractor to adhere to these same provisions, it being understood and different coverages and policy limits may apply to subcontracted operations, subject to University's reasonable approval.

- 16.4.3 Commercial General Liability. Vendor shall maintain coverage for bodily injury, including sickness or disease, death, as well as from claims for property damage including loss of use which may arise from operations under this Agreement. Coverage shall be as follows:

\$1,000,000.00 - per occurrence Combined Single Limit  
\$2,000,000.00 – annual aggregate  
\$1,000,000.00 – annual aggregate applying to products/completed operations

In addition, the following coverages must be included:

- Products and Completed Operations Liability
- Blanket Contractual Liability
- Include the following as Additional Insured:  
Board of Regents of the Nevada System of Higher Education  
And:  
University of Nevada, Reno

- 16.4.4 Commercial Automobile Liability. Vendor shall maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, as well as from claims for property damage including loss of use which may arise from operations under the Agreement. Coverage amounts shall be as follows:

\$1,000,000.00 - per occurrence Combined Single Limit for Bodily Injury and Property Damage

In addition, the following coverages shall be included:

- Owned, Hired, and Non-owned
- Include the following as Additional Insureds:  
Board of Regents of the Nevada System of Higher Education  
And:  
University of Nevada, Reno

Vendor shall verify that all of its employees that shall operate a vehicle owned by Vendor have a driver's license that is valid for operating a motor vehicle in the State of Nevada.

- 16.4.5 If Vendor is responsible for provision and/or service of alcohol either directly or through a Vendor Subcontractor, Liquor liability insurance in an amount of \$2,000,000 each common cause and in the aggregate to cover any liability arising out of the selling or furnishing of alcohol.

In addition, the following coverages shall be included:

- Include the following as Additional Insureds:
  - Board of Regents of the Nevada System of Higher Education
  - And:
  - University of Nevada, Reno

16.4.6 Additional Insurance Conditions:

16.4.6.1 Vendor's policy(ies) shall be primary;

16.4.6.2 Intentionally omitted;

16.4.6.3 Vendor is responsible for payment of Agreement related insurance premiums and deductibles;

16.4.6.4 If Vendor is self-insured, a Certificate of Self-Insurance must be attached;

16.4.6.5 Vendor's insurance policies shall include legal defense fees in addition to its liability policy limits;

16.4.6.6 Vendor shall obtain insurance policy(ies) from insurance company(ies) having an "AM BEST" rating of A- (minus); Financial Size Category (FDC) VII or better, and authorized to do business in the State of Nevada;

16.4.6.7 An Umbrella or Excess Liability insurance policy may be used to supplement the Vendor's policy limits to satisfy the full policy limits required by the Agreement.

16.4.7 University reserves the right to give notice of breach of this agreement if Vendor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against Vendor. Vendor shall submit acceptable evidence of insurance coverage as referenced above within sixty (60) calendar days of execution of the Agreement. In the event of a dispute regarding insurance coverage after a claim has occurred and been reported, the Vendor and University shall collaborate to secure a mutually agreeable time and place to review applicable insurance provisions together.

16.4.8 NSHE is insured for their general liability, automobile liability and automobile physical damage exposures through a self-insurance program funded by the State of Nevada in accordance with the provisions of NRS Chapter 41. NSHE is also self-insured for all risk property insurance.

16.5 Intentionally omitted.

16.6 Patents, Trademarks and Copyrights. Vendor shall assume all costs arising from the use of trademarks, copyrights, or patented materials, licenses, equipment devices or processes used in

the operation of, or incorporated, into the Dining Services Program and facilities, and shall indemnify and hold harmless University and the Board from all claims, suits of law or actions of every nature for or on account of the use of any trademarks, or patented or copyrighted materials, equipment, devices or processes provided, requested or obtained by Vendor. The provisions of this section shall not apply to patented, copyrighted, or trademarked materials, equipment, devices or processes furnished or modified by University.

- 16.7 Liability/Indemnification. Each party shall be responsible for its own acts and omissions and the results thereof. Applicable laws govern University's liability under this Agreement. Vendor, in performance of this Agreement, shall release and discharge the Nevada System of Higher Education and the Board of Regents from liability for, and assume the risk of, loss or damage to property of Vendor. Further, Vendor shall save the Nevada System of Higher Education and the Board of Regents harmless from and defend against all losses, all liabilities, expenses and other detriments of every nature and description, to which the Nevada System of Higher Education and the Board of Regents may be subjected by reason of any negligent act or omission of Vendor, or any of Vendor's subcontractors, employees, agents, invitees or licensees where such loss, liability, expense or other detriment arises out of or in connection with the performance of work under this contract, including, but not limited to liens, personal injury and loss of or damage to property of the Nevada System of Higher Education, or others.

Notwithstanding the foregoing, Vendor's obligation to indemnify and hold harmless University shall be limited to those liabilities resulting from the negligence or intentional misconduct of Vendor, its agents or employees, and in no event shall extend to the liability resulting from the negligence or intentional misconduct of University.

IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES, OR ANY DAMAGES CONSTITUTING LOST PROFITS, SUFFERED BY EITHER PARTY UNDER THIS AGREEMENT.

Notwithstanding the foregoing indemnification provisions, the following clause is acceptable with respect to property damage to the property owned by University, in the care, custody or control of either party, for which the parties maintain a system of coverage. To the extent that a property loss to University's property is the result of the sole negligence or intentional misconduct of Vendor, Vendor shall be responsible up to a maximum \$25,000.00 payment of University's property insurance deductible. Above this limit, each party hereto waives its rights, and the rights of its subsidiaries and affiliates, to recover from the other party hereto and its subsidiaries and affiliates for loss or damage to such party's building, equipment, improvements and other property of every kind and description resulting from fire, explosion or other cause normally covered in standard board form property insurance policies. This provision shall survive termination of the Agreement.

- 16.8 Trade Secrets and Proprietary Information. During the term of the Agreement, Vendor may grant to UNR a non-exclusive right to access certain proprietary materials of Vendor, including menus, recipes, signage, management guidelines and procedures, operating manuals, software (both owned by and licensed to Vendor), computerized databases and similar compilations regularly used in University's business operations ("Trade Secrets"). University shall not photocopy or otherwise duplicate any such material without the prior written consent of Vendor, except as required by law. All Trade Secrets (including signage proprietary to Vendor),

shall remain the exclusive property of Vendor and shall be returned to Vendor immediately upon termination of the Agreement. University agrees that it shall not retain Vendor owned software beyond the termination of the Agreement, but shall retain any software configuration or set up parameters. University acknowledges that Vendor considers portions of this Agreement, and reports or financial information provided to University under this Agreement, to constitute trade secret information of the Vendor. In the event University receives a request or notice to produce this Agreement or any amendments hereto, Vendor's proposal to University, or information provided by Vendor and marked as confidential, proprietary, or trade secret, prior to making any disclosure, University shall provide Vendor a reasonable opportunity to assert the confidential nature of the information to be disclosed and cooperate with Vendor in asserting grounds to seek such confidential treatment to the extent University agrees with Vendor's stated ground. This section shall survive termination of the Agreement.

16.9 Intentionally omitted.

16.10 Liens. Vendor shall not commit or suffer any act of neglect whereby University Premises shall become subject to any attachment, lien, charge or encumbrance whatsoever, except as hereinafter provided, and shall indemnify and hold harmless University and Board from and against all attachments, liens, charges and encumbrances and all expenses relating therefrom.

16.11 Excuse of Performance. Performance under this Agreement by Vendor shall be excused only by reason of the following causes:

- 16.11.1 When such performance is prevented by destruction or damage to the Premises not caused by Vendor's negligence;
- 16.11.2 When such performance is prevented by an act of University, of the State of Nevada, or of the United States of America;
- 16.11.3 When such performance is prevented by any job action conducted by any employee organization that prevents patrons from utilizing Vendor's services;
- 16.11.4 When such performance is prevented by exercise of the power of eminent domain;
- 16.11.5 Upon and during the occurrence of a force majeure event as more specifically described in Section 16.34 of this Agreement.

With the exception of monies already due and owing, performance of Vendor shall be suspended and excused to the extent commensurate with such interfering occurrence. Vendor assumes all risk of loss due to temporary suspension of operation, regardless of cause.

16.12 Surrender of Premises. Vendor shall remove all Vendor owned inventory, supplies, and personal property at the expiration or sooner upon termination of the Agreement. On removal of the property, the Premises shall be returned to University in its original state, normal wear and tear excepted. Vendor's failure to remove its personal property within thirty (30) calendar days after the termination or expiration of the Agreement shall be deemed to be an abandonment of its personal property. University shall make all necessary repairs to the Premises that may be required as a result of the removal of trade fixtures and other personal property and reasonably charge Vendor for such repairs.

- 16.13 Captions. The paragraph headings of this Agreement are for convenience only and are not intended, and shall not be construed to alter, limit, or enlarge in any way the scope or meaning of the language contained in this Agreement.
- 16.14 No Waiver. If either party fails to enforce any provision of this Agreement, that failure does not waive the provision or the party's right to enforce it. No waiver by either party of any provision of this Agreement shall be deemed to have been made unless set forth in writing and signed by an officer or other authorized representative of the party.
- 16.15 Final Integration. This Agreement constitutes the entire agreement of the parties, as a complete and final integration thereof with respect to its subject matter. All prior understandings and agreements between and among the parties are merged into this Agreement, which alone fully and completely expresses their understandings. No representation, warranty, or covenant made by any party that is not contained in this Agreement or expressly referred to herein has been relied on by another party in entering into this Agreement.
- 16.16 Disclosure. By accepting payments agreed to in this Agreement, Vendor certifies that to its actual knowledge no University employee or official, and no family members of a University employee or official, shall receive a benefit from these payments, except as has been previously disclosed, in writing, to University on the Disclosure Statement of Relationship Between Vendors/University and Employees/Officials of University.
- 16.17 University's Trademarks. In no instance shall University's name be used by Vendor in connection with any advertising or promotions which are not directly related to University without its specific prior written consent. The foregoing provision shall not restrict Vendor from including University as a non-endorser client in Vendor's marketing materials and sales proposals. University's name and logo shall be prominently displayed on all University's Dining Services promotional materials in a manner that is in full compliance with University's graphic standards. Vendor's name is not to appear on any signs, forms, disposable service ware or other items that are accessible to students, staff, faculty or other customers. None of the provisions of this Agreement grant to Vendor the right to use or to sublicense the use of University's names, logos, and trademarks, without the prior written consent of University. Vendor acknowledges and agrees that University owns the names and their trademarks, modifications of them, as well as any other names, trademarks, logos, and symbols adopted and used or approved for use by University (collectively the "Indicia"). Vendor shall not have any right to use University's Indicia without its prior written consent. Vendor acknowledges that any original designs, artwork or other compilations or derivatives ("Works") created by it pursuant to this Agreement that contain the Indicia are compilations or derivatives as those terms are used in Section 103 of the Copyright Act. Therefore, any rights, including copyrights, that Vendor might have in those original Works do not extend to any portion or aspect of the Indicia or any derivatives thereof, and do not in any way dilute or affect University's interests in the Indicia or any derivatives thereof. Vendor shall not copy, use, assign or otherwise transfer any rights in any Works with any portion or aspect of the Indicia or any derivatives thereof included, except as expressly permitted under this Agreement, without University's express prior written authorization. Vendor shall not attempt to obtain or assert copyright rights in any of University's Indicia or any artwork or design that contains University's Indicia, without



University's express prior written authorization. This provision shall survive termination of the Agreement.

- 16.18 Non-Discrimination and Equal Opportunity. Neither party shall discriminate because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, sexual orientation, age, or status as a veteran, or any other reason as defined and prohibited by applicable federal, state and local laws. In addition, each party affirms that it is an equal opportunity employer who practices affirmative action and shall comply with all applicable federal, state and local employment laws and regulations. This provision shall include, but not be limited to, the following: recruitment, selection, employment, promotion, demotion or transfer, lay-off or termination, utilization, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Vendor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the State of Nevada Equal Rights Commission setting forth the provisions of the non-discrimination clause. Vendor agrees to abide by all provisions of Nevada Revised Statute 613.330. Although Vendor is an independent contractor, it covenants that its employees shall comply with University's workplace policies, including, without limitation, University's policy with regards to sexual and other forms of harassment. **The parties shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that the parties take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. Further, the parties agree to comply with 29 CFR Part 471, Appendix A to Subpart A.**
- 16.19 Independent Contractor. The parties agree that Vendor is an independent contractor in the performance of services under this Agreement. Neither party is the agent of the other and neither may bind the other in any way. Nothing in this Agreement is intended to make Vendor an employee, agent, partner, or joint venture of University. Vendor shall be responsible for all employment rights and benefits of Vendor employees, including without limitation: (i) federal, state, and local income and employment taxes and social security contributions; (ii) workers compensation, health benefits, vacation pay, holiday pay, profit sharing, retirement, pension, disability benefits, and other health and welfare benefits, plans, or programs; and (iii) insurance.
- 16.20 Workers' Compensation. Vendor certifies it is in compliance with Nevada workers' compensation insurance coverage. Vendors' employees and agents will not be considered University employees. Any claims that may arise under the Nevada Workers' Compensation Act on behalf of these employees or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way University's obligation or responsibility.
- 16.21 Antitrust. Vendor hereby assigns to the State of Nevada any and all claims for overcharges as to goods and services provided in connection with the Agreement resulting from antitrust violations which arise under the antitrust laws of the United States or the antitrust laws of the State of Nevada.

- 16.22 Emergency Preparedness and Business Continuity. Vendor shall work cooperatively with University to develop and maintain at all times an Emergency Preparedness and Business Continuity Plan detailing Vendor and Vendor employee actions to be taken in the event of an emergency event and/or pandemic, as defined by University's Emergency Response and Recovery Plan. Such plan will be subject to review and approval by the University's Contract Administrator. Vendor shall be required to train its employees as necessary to execute its Emergency Preparedness and Business Continuity Plan. Vendor's Emergency Preparedness Plan shall be kept current at all times.
- 16.23 Material Changes.
- 16.23.1 University, at its sole option, may add and/or remove one or more of Vendor's service locations and/or rights under this Agreement ("Material Change Event").
- 16.23.2 In the event of a University initiated Material Change Event that adversely affects Vendor's net financial return in comparison to historical returns or returns reflected in Vendor's pro forma based upon RFP requirements, or in the event any of the assumptions set forth in Attachment 1 are not met, University and Vendor shall first work together to quantify the financial impact to Vendor and if possible, identify mutually agreeable modifications to the Dining Services Program that will mitigate the adverse financial impact ("Remediation"). If University and Vendor are unable to identify appropriate Remediation, University agrees to modify the financial terms of the Agreement, only to the extent necessary to achieve Remediation of the Material Change Event or deviation from assumptions.
- 16.23.3 In the event of a University initiated Material Change Event that positively affects Vendor's net financial return in comparison to historical, University reserves the right to renegotiate the financial terms of the Agreement so that each parties' financial return remains fair and equitable.
- 16.24 Assignment. Vendor shall be deemed to be an independent Contractor and shall not, during the term of this Agreement, or any renewal or extensions thereof, sell, assign, transfer, subcontract, sublet, or sublease all or any part thereof without the prior written consent of University except the Vendor may assign this Agreement to an affiliated company or wholly owned subsidiary without prior approval and without being released from any of its responsibilities hereunder. Vendor food subcontractors must be approved by the University, which approval will not be unreasonably withheld, and University confirms it consents to incumbent Vendor food subcontractor; and should Vendor become insolvent, or if proceedings in bankruptcy shall be instituted by or against Vendor, the remaining or unexpired portion of this Agreement shall, at the election of University, be terminated.
- 16.25 Binding Effect. This Agreement shall not extend to, be binding upon, or inure to the benefit of the parties hereto and their respective successors, assigns, heirs, and legal representatives.
- 16.26 Jurisdiction and Venue. This Agreement, and amendments and supplement thereto, shall be governed by the laws of the State of Nevada. Venue for all legal proceedings arising out of this contract, or breach thereof, shall be in the state or federal court with competent jurisdiction in Nevada. This clause shall survive termination of this Agreement.


- 16.27 Intentionally omitted.
- 16.28 Costs of Enforcement and Litigation. In the event either party brings legal proceedings against the other party arising from such party's failure to perform its obligations under this Agreement, the unsuccessfully party to such legal proceedings shall pay the prevailing party's costs and reasonable attorney's fees incurred by or imposed upon the prevailing party in connection with such litigation in connection with such litigation.
- 16.29 Force Majeure. Neither Vendor or University shall be liable for the failure to perform its respective obligations hereunder when such failure is caused by fire, explosion, water, act of God, civil disorder or disturbances, strikes, vandalism, war, riot, sabotage, weather and energy-related closing, governmental rules or regulations, pandemic, epidemic, or like causes beyond the reasonable control of such party, or for real or personal property destroyed or damaged due to such causes.
- 16.30 Casualties. During the Term of the contract, if a Dining Services Program facility is damaged by fire or any other cause, University shall have the right and option to either: (a) replace and restore the premises, in which case this contract shall continue in full force and effect, or (b) terminate the contract as to the affected facility or facilities, it being agreed that if University terminates the contract only as to the affected facility or facilities, the parties shall negotiate in good faith to adjust the financial arrangements to offset the impact of such termination. In no event shall University be required to make available an amount to repair or restore the premises in excess of any insurance proceeds available to University. University shall not be liable for any inconvenience or annoyance to the Vendor or injury to the business of Vendor resulting in any way from such damage or the repair or restoration thereof. If University does not replace and restore the premises within 90 days, the parties shall negotiate in good faith to adjust the financial arrangements to offset the impact of the cessation or interference with the use of the affected facility or facilities.
- 16.31 Amendments. Any amendments to this Agreement shall be in writing and shall be executed by the same parties who executed this Agreement, or their successors in office.
- 16.32 Nevada Public Records Act. Pursuant to Chapter 239 of the Nevada Revised Statutes, this Agreement may be open to public inspection and copying. Upon request, and subject to the provisions of Section 16.8, NSHE will have a duty to disclose this Agreement, except for any portions thereof that are made confidential by law
- 16.33 Notice. Any notice or communication required or permitted to be given hereunder shall be in writing and served personally with proof of delivery and acceptance, delivered by overnight courier, by facsimile or sent by United States certified mail, postage prepaid with return receipt requested, addressed to the other party as follows or to such other persons or places as either of the parties may hereafter designate in writing. Such notice shall be effective when received or on the date of personal or courier delivery or five days after the day of deposit in the United States mail as provided above, whichever is earlier. Rejection or other refusal to accept such notice shall not affect the validity or effectiveness of the notice given:

To University: Ray Moran/Director of Purchasing:  
Mail Stop 0242  
University of Nevada, Reno  
Reno, NV 89557

To Vendor: Compass Group USA, Inc. d/b/a Chartwells  
Attention: CEO  
2 International Drive  
Rye Brook, New York 10573  
Facsimile No. (914) 935-5553

with a copy to: Compass Group USA, Inc.  
Attention: General Counsel  
2400 Yorkmont Road  
Charlotte, North Carolina 28217  
Facsimile No. (704) 329-4010

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

<p>Vendor Compass Group USA, Inc., by and through its Chartwells Division</p> <p>By:  _____ Name: Lisa Wiceuen Title: Chief Executive Officer Date: 3/29/2019</p>	<p>BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION on behalf of the University of Nevada, Reno</p> <p>By: _____ Name: Thom Reilly Title: Chancellor</p> <p>UNIVERSITY OF NEVADA, RENO</p> <p>By: _____ Name: Marc Johnson Title: President</p>
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## ATTACHMENT 1

### Assumptions

- FY18 resident population and meal plan sales were used as the basis for mandatory meal plan purchases for first-year students under the age of 21
- The Downunder dining hall enhancement is expected to be completed in summer 2021
- New meal plans are proposed for Year Two. The model reflects these plans with a 3 percent increase each year
- The model includes the introduction of all DB voluntary meal plans for FY20 to complement the existing voluntary meal plans
- Food cost associated with the meal plans is included in the model at a 96% redemption rate for all voluntary commuter plans
- Board participation:
  - Year 1: 85%
  - Years 2-10: 82%
- For each academic year, board days were assumed to be 115 days in Fall semester and 107 days in Spring semester
- If University goes to trimester parties will mutually agree on the number of board days

<b>ATTACHMENT 2</b>
Reserved

### ATTACHMENT 3

#### Meal Plan Options and Policies

Fall 2019 and Spring 2020 Resident Meal Plans - Daily Rates Excluding All Meal Plan Food Bucks					
Patron Range		A. 19 Meals/Week +\$160 FB	B. 15 Meals/Week +\$210 FB	C. 12 Meals/Week +\$265 FB	D. 10 Meals/Week +\$370 FB
3,026	3,075	\$16.49	\$16.02	\$14.32	\$12.79
2,976	3,025	\$16.60	\$16.15	\$14.44	\$12.90
2,926	2,975	\$16.71	\$16.27	\$14.56	\$13.02
2,876	2,925	\$16.82	\$16.40	\$14.68	\$13.14
2,826	2,875	\$16.94	\$16.54	\$14.81	\$13.26
2,776	2,825	\$17.05	\$16.67	\$14.94	\$13.39
2,726	2,775	\$17.18	\$16.82	\$15.08	\$13.52
2,676	2,725	\$17.30	\$16.96	\$15.22	\$13.65
2,626	2,675	\$17.43	\$17.11	\$15.36	\$13.79
2,576	2,625	\$17.57	\$17.27	\$15.51	\$13.93
2,526	2,575	\$17.71	\$17.43	\$15.66	\$14.08
2,476	2,525	\$17.91	\$17.65	\$15.88	\$14.29
2,426	2,475	\$18.12	\$17.89	\$16.10	\$14.51
2,376	2,425	\$18.34	\$18.13	\$16.33	\$14.73
2,326	2,375	\$18.56	\$18.37	\$16.57	\$14.96
2,276	2,325	\$18.80	\$18.63	\$16.82	\$15.20
2,226	2,275	\$19.04	\$18.90	\$17.08	\$15.45
2,176	2,225	\$19.29	\$19.17	\$17.34	\$15.71
2,126	2,175	\$19.55	\$19.46	\$17.62	\$15.98
2,076	2,125	\$19.82	\$19.76	\$17.90	\$16.25

<b>Non-Mandatory Plans 2019-2020</b>	
<b>100 Block Plan</b>	\$2100 per academic year
<b>50 Block Plan</b>	\$1075 per academic year
<b>25 Block Plan</b>	\$550 per academic year



**ATTACHMENT 4**

Residential Dining Rates

**Vendor's Daily Rate Schedule.** Vendor shall will be compensated for provision of Residential Dining services according to the following sliding scale of daily rates, per student, per day.

**Door Prices.** For customers not using meal swipes as payment, prices for meals served at Residential Dining operations shall be as follows:

2019-2020	
Breakfast	\$ 8.34
Lunch or Brunch	\$11.14
Dinner	\$13.59
Continental Breakfast	\$ 7.11
Summer Daily Rate Weekends	\$19.62
Summer Daily Rate M-Fr	\$26.82

<b>ATTACHMENT 5</b>
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Reserved
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**ATTACHMENT 6**

Reserved

## ATTACHMENT 7

### Payment Schedule

Resident Boarder Payments: the University will forward a minimum of fifty percent (50%) of semester board revenue within four (4) weeks from the beginning of the semester. The University will pay Vendor the next twenty-five percent (25%) of board revenue at the midway point of the semester. The university will pay Vendor the remaining twenty-five percent (25%) at the three-quarters point of the semester.

Except as stated in the first paragraph of this Attachment 7, the payment schedule will be part of the annual strategic plan mutually agreed to by both parties.

## ATTACHMENT 8

### Vendor Investments and Amortization Schedules

Disbursement Year	Description	Amount	Amortization Start Date	Amortization End Date
2019-20	Franchise Fees	\$90,000	Jul-19	Jul-22
2019-20	Signing Bonus	\$2,000,000	Jul-19	Jul-29
2019-20	Additional Signing Bonus	\$250,000	Jul-19	Jul-29
2019-20	Pre-opening/Transition Expenses	\$200,000	Jul-19	Jul-29
2019-20	Fix Catering Kitchen Door and Make Storage Alterations	\$250,000	Jul-19	Jul-29
2019-20	Panera	\$950,000	Later of date project starts to generate new revenue or Jul-19	Jul-29
2019-20	ShakeSmart	\$350,000	Later of date project starts to generate new revenue or Jul-19	Jul-29
2019-20	Signs and Graphics Refresh Campuswide	\$500,000	Jul-19	Jul-29
2019-20	The Habit to Blind Onion	\$950,000	Later of date project starts to generate new revenue or Jul-19	Jul-29
2019-20	OZZI	\$20,000	Jul-19	Jul-29
2019-20	Technology/Boost Mobile Ordering	\$250,000	Later of date project starts to generate new revenue or Jul-19	Jul-29
2019-20	ORCA	\$20,000	Jul-19	Jul-29
2019-20	Golf Carts 4 @ 4,000	\$16,000	Jul-19	Jul-29
2019-20	Elements	\$600,000	Later of date project starts to generate new revenue or Jan-20	Jul-29
2019-20	Tiny House	\$500,000	Later of date project starts to generate new revenue or Jan-20	Jul-29
2020-21	Downunder C-Store	\$2,000,000	Later of date project starts to generate new revenue or Jul-20	Jul-29
2020-21	Overlook Retail	\$3,250,000	Later of date project starts to generate new revenue or Jul-20	Jul-29

2020-21	College of Engineering	\$650,000	Later of date project starts to generate new revenue or Jul-20	Jul-29
2020-21	POS/Social Wall/Interactive Zones	\$450,000	Later of date project starts to generate new revenue or Jul-20	Jul-29
2020-21	Starbucks @ South Campus	\$850,000	Later of date project starts to generate new revenue or Jul-20	Jul-29
2020-21	Tradecraft @ Bytes	\$300,000	Later of date project starts to generate new revenue or Jul-20	Jul-29
2021-22	Downunder Dining Hall Enhancement	\$4,700,000	Later of date project starts to generate new revenue or Jul-21	Jul-29
2022-23	Business Gateway Project Fund South Campus	\$850,000	Later of date project starts to generate new revenue or Jul-22	Jul-29
2024-25	DeliNV	\$454,000	Later of date project starts to generate new revenue or Jul-24	Jul-29

<b>ATTACHMENT 9</b>
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Reserved
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<b>ATTACHMENT 10</b>
Vendor's Food Subcontractors

**Bo Dawgs LLC.**

Owner: George Moore (775)409-7805

1406 Laloma Dr.

Carson City, NV 89701

Contact: Jared Moore (775) 515-9771

Operation of a hot dog food truck at a designated location on campus.

**Reno Pizza Inc. dba. Dominos**

Mark Kraniger (President) (626) 369-5752

15354 E. Valley Blvd

Industry, CA 91746

Contact: Sam Medrano (775) 745-5320

Pizza Delivery to campus residence halls from dorm kiosks.

**Ikoma Sushi Inc.**

Thin Thein (801)676-9824

11075 South State Street #10

Sandy, UT 84070

Production and Sale of Assorted Sushi Products.

**Mandalay Express Inc.**

Thin Thein (801)676-9824

11075 South State Street #10

Sandy, UT 84070

Production and Sale of Assorted Asian Products from the Overlook Café.

**Juan Vasquez dba. Las Trojes Express**

Juan Vasquez (775) 359-9033

1304 Glendora Court

Sparks, NV 89436

Manages and Operates a Mexican Food Restaurant in the Ansari Business Building.



**ATTACHMENT 11**

Reserved

## ATTACHMENT 12

### Retail Space at Joe Crowley Student Union

#### Joe Crowley Student Union Retail in spaces 0305, 0305A, 0305B and 0305C

The purpose of this Attachment 12 is to set forth the terms for the use of space in the JCSU by the Vendor incidental to the Food Services Agreement to which this document is attached.

The JCSU 305 spaces are part of the retail mix in the Joe Crowley Student Union.

This unique location includes a program area for events; these are scheduled by the Student Union staff. These reservations are shared with Vendor's staff.

Event set ups are done by the University, through its Student Union

The Vendor is responsible for all food orders and all cleaning.

The total square footage of the Premises space is estimated at ~ 4,193 sf; a portion of this area is considered program space) by the University. The Vendor is responsible for the remaining 2761.5 sf for utilities, JCSU operating fee and JCSU marketing fee.

The University (Student Union) will provide a new sound system for the premises. This will be coordinated with the Vendor.

#### **Term:**

The term for this space is: Sixty (60) months from July 1, 2019.

Vendor's Option to Extend: Number of Option: One (1).

Length of Option: Sixty (60) months.

#### **Commission:**

For reporting purposes, the outline of the percentage commission for this space needs to be identified separately from the Vendor's other retail stores.

**Shared Utility Costs:** The Vendor's monthly share of the Shared Utility Costs is currently eighteen and .0038 cents (\$0.1838) per square foot based on a load factor of 1.5 of the square footage of the Premises. Shared Utility Costs per square foot are established by the University, are adjusted biannually (beginning July 1<sup>st</sup>), and are a direct pass through to the Vendor. The next biennium adjustment will be July 1, 2019. The square footage is 2761.5 (4142 with the 1.5 Load factor).

In addition there is metered Electric for the Premises that is the Vendor's obligation. These expenses will commence as Vendor takes occupancy.

**Student Union Operating Fees:** The Vendor's monthly share of the Student Union Operating Expenses is currently sixty cents (\$0.60) per square foot based on a load factor of 1 of the 2761.5 square footage of the Premises. These expenses will commence on October 1, 2019, regardless of the date Tenant takes occupancy.

**Marketing Fees:** The Vendor's monthly share of the Marketing Fee shall be twelve cents (\$0.12) per square foot. The Vendor's share of the Marketing Fee shall increase annually on the anniversary of the Rent Commencement Date by three percent (3%) or the Consumer Price Index whichever is greater. These expense will commence on October 1, 2019, regardless of the date the Tenant takes occupancy.

**Vendor Exclusive.** The University shall not enter into any lease to operate a restaurant that derives more than ten percent (10%) of its gross sales from hamburgers during the term of this agreement, including any extensions.

**Exclusives of other JCSU retail Tenants:** See **Attachment 13**

## ATTACHMENT 13

### Exclusives of other JCSU Retail Tenants

Joe Crowley Student Union Retail in spaces 0305, 0305A, 0305B and 0305C

#### EXCLUSIVES LIST

(references are to terms of University leases with third parties, referred to as Tenants below, with University referred to as Landlord)

**Wells Fargo:**  
Banking

**Starbucks Corporation:**

Landlord shall not enter into any lease, other than with Tenant, to operate a restaurant in the Joe Crowley Student Union that derives more than ten percent (10%) of its gross sales from premium coffee or espresso drinks.

**Port of Subs, Inc.:**

Tenant shall have the exclusive right in the Building to engage in the retail sale of submarine sandwiches, and deli trays, with the exception of catering and delivery.

**Panda Express, Inc.:**

Landlord shall not enter into any lease, other than Tenant, to operate a restaurant that derives more than 10% of its gross sales from prepared Chinese, Japanese (including sushi) and Thai food products. Notwithstanding this exclusive, SHNEV, LLC may sell sushi and sushi-related products so long as SHNEV, LLC does not sell products which are on Panda Express's current menu, including Chicken Egg Roll, Chicken Potstickers, Veggie Spring Roll, Cream Cheese Rangoon, Crispy Shrimp, Hot and Sour Soup, Honey Walnut Shrimp, Peppercorn Shrimp, Beijing Beef, Kobari Beef, Broccoli Beef, Orange Chicken, Sweetfire Chicken Breast, Kung Pao Chicken, String Bean Chicken Breast, Mandarin Chicken, Mushroom Chicken, Black Pepper Chicken, Bbq Pork, Sweet And Sour Pork, Eggplant Tofu or Mixed Veggies.

**Role Model, LLC (Del Lobo):**

Tenant shall have the right to be the sole tenant in the Building to sell so-called Mexican style food as its primary business.

**SHNEV, LLC (SoHo Sushi):**

Landlord shall not enter into any lease, other than with Tenant and Panda Express, Inc. to operate a restaurant in the Joe Crowley Student Union that derives more than ten percent (10%) of its gross sales from sushi, sushi burritos, sushi bowls and sushi salads.

**For Each:**

For purposes of this provision, a tenant in the Building shall not be deemed to have the sale of "exclusive items" as its primary business unless gross sales of "exclusive items" exceed ten percent (10%) of such tenant's total sales, computed on an annual basis.

## ATTACHMENT 14

### Additional Catering Information

The Vendor occupies the space on the second level Catering Kitchen, the fourth level Plating Kitchen, 4<sup>th</sup> floor catering pantry (JCSU 408) and the Office 408B of the Joe Crowley Student Union (JCSU).

#### 4<sup>th</sup> FLOOR PLATING KITCHEN

- ASUN, GSA student organizations and approved catering companies may be given access to use the plating kitchen.
  - Groups must request the facilities from the Director of the Vendor's Catering or designee after initial consultation with JCSU staff.
  - Groups must follow procedures provided by the Vendor and are responsible for use fees and any deposits/cleaning fees
  - Reasonable fees may apply to groups using the kitchen for the Vendor staffing before, during and after a group's use. These fees will be approved by the JCSU Director or designee in advance.
  - Groups must return the facilities to their original condition and are responsible for any use fees, deposits, assessed costs, clean-up, damage, and/or repairs.

#### CATERING OPERATIONS

- Costs of repairs, cleaning, replacement of JCSU facilities and equipment related to food/beverage stains and/or damage caused by the negligence of Vendor's staff will be the responsibility of the Vendor.
- Access to student union facilities for catered events will be given at the discretion of the JCSU Director or designee. Efforts will be made to accommodate early access through the following measures:
  - The attendance of the Director of Catering at the weekly JCSU scheduling meetings;
  - Distribution of facility keys to the Vendor's District Manager and the Director of Catering;
  - Special requests made with reasonable notice from the Director of Catering District Manager to the JCSU Coordinator or designee.
- The Vendor will be responsible for proper removal of all food related trash, including but not limited to boxed lunches, from catered events within the building and surrounding areas occupied by the Vendor including the 2<sup>nd</sup> floor kitchen, the 4<sup>th</sup> floor pantry, and the 4<sup>th</sup> floor plating kitchen. JCSU will provide the proper number of customer trash receptacles for function rooms.
- All clean-up of catering equipment, trash and recycling materials from a catered event within the building must be removed from the student union facility within two hours of the end of the event or as prearranged with the student union staff or reasonable cleaning charges will be billed to the Vendor.

- The Vendor's staff must use proper measures including double bagging, carts, etc. to avoid stains and damage from leaking trash, etc.
- The Vendor will provide proper floor/ground/surface protection around food/beverage serving areas at catered events.
- The Vendor will share access to the freight elevator with other departments. All food and catering related equipment must be transported through the freight elevator only and not the public service elevators.
- Freight Elevator use is for loading and unloading materials only. Catering staff will use the passenger elevators at all other times unless changed by JCSU management staff.
- Freight Elevator use will be coordinated by JCSU management staff for appropriate use by all building tenants.
- The Vendor will be responsible for providing all linens for appropriate Vendor meals.

#### **SUSTAINABLE PRACTICES**

- The University, through the JCSU, will provide recycling receptacles for normal use in hallways and meeting areas. The Vendor is responsible for proper disposal of recycled materials from all catered events.
- All recyclable material from shipments (e.g. card board) should be broken down and placed in the proper cardboard recycle dumpster (located at the 2<sup>nd</sup> level loading dock area).

#### **SALES OFFICE**

- The Vendor is responsible for all administrative function including phone, fax, copier, and mail.
- The Vendor's staff is responsible for removing recyclable (paper) from the offices to the appropriate University designated recycling bins.
- The Vendor's Catering Director will work with the JCSU Director or designee to research the implementation of the catering program portion of the scheduling software EMS in order to optimize communication with the JCSU and enhance customer service.

All requests for facility repairs, maintenance, or custodial work should be made through an e-mail to the JCSU Director or designee.

#### **LOADING DOCK AND PARKING ACCESS**

- One loading dock bay (designated by the JCSU will be allocated to the Vendor's Catering department.
- The Vendor's official catering vehicles can share this loading dock.
- No personal vehicles are allowed in loading dock.
- UNR will provide a location for one additional vehicle in close proximity to the JCSU.
- All Catering vehicles must abide by UNR Parking procedures.
- The Vendor is responsible for costs related to all parking permits.
- The Vendor will pay a proportionate share of the cost of trash removal, grease removal, grease interceptor system, recycling removal and other related expenses.

- The Vendor will have access to the garbage dumpsters located at the loading dock. All personal vehicles to be parked in University designated parking zones and are subject to the regulations enforced by University Parking Services.
- Catering vehicles cannot block or inhibit loading, unloading, delivery in any other JCSU loading dock bay. Catering vehicles cannot disrupt any student union business related traffic.
- The Vendor will provide updates to the Student Union staff on expected standard delivery times/days.

#### **CATERING EMPLOYEES**

- The Vendor's staff will have access to the 2<sup>nd</sup> floor locker rooms and are responsible for cleaning and emptying of lockers as requested by the Student Union.