

THE STATE OF TEXAS §

COUNTY OF GALVESTON §

CITY OF TEXAS CITY §

A G R E E M E N T

This Lease Agreement this day entered into by and between **Jaanai and Joa Sherman d/b/a The Yellow Dog**, hereinafter called Lessee, and the CITY OF TEXAS CITY, TEXAS, hereinafter called Lessor.

W I T N E S S E T H:

For the consideration hereinafter named, Lessee has leased and demised and by these presents does lease and demise unto Lessor that property known as “Food Concession Snack Bar” at Bayou Golf Course, situated in Texas City, Galveston County, Texas, subject to the following terms, conditions and covenants:

1. Term

This Lease shall commence on April 6, 2022 for a three-year period ending on April 5, 2025, and the facility shall be open every day for the term of the lease unless Lessor shall close the facility for weather conditions including prolonged rain, lightning, and thunder.

This Lease shall be extended for an additional three-year period upon agreement by the parties.

2. Scope of Work

The scope of work under this Agreement is for an independent contractor to manage and operate the food concessions snack bar at the Bayou Golf Course.

The Recreation and Tourism Director and his representative Head Golf Professional will approve price, size, and content of all that is sold. The minimum menu shall consist of beverages (including alcoholic beverages), a hot breakfast, hot and cold sandwiches. Menu and price list must be provided to the Head Golf Professional for approval. All drinks must be served either in aluminum containers, plastic, or paper cups. No glass containers containing food or drink shall be sold.

The Lessee is to provide ice chests (coolers) for public use on the golf course. The minimum size shall be large enough to hold a six-pack of aluminum canned drinks. Monetary and/or driver’s license held for cooler deposits cannot be required without approval of the Head Golf Professional.

The Lessee may add, delete or make price adjustments, from time to time, provided each item and price thereof is approved by the Recreation and Tourism Director and his representative Head Golf Professional. Unusual product cost adjustments may be made when justified to the satisfaction of the Recreation and Tourism Director and his representative Head Golf Professional. Quality of all products is to be of prime consideration in the operation of this agreement.

Placement, number, type and location of vending machines, stock containers, coolers and dispensers shall be made with prior approval of the Director.

The Lessee shall be allowed to perform catering services at the golf course so long as catering services do not interfere with operation of the golf course, or with Lessee's responsibilities under this agreement. The usual City contractual compensation would apply for all catering service.

Lessee, in consultation with the Head Golf Professional, shall be permitted to offer special volume discounts on tournaments and other special events at the golf course. Lessor shall promulgate and enforce rules, that no food or beverage may be brought to the golf course property by any person without Lessee's approval.

Regardless of size, all tournaments may be assessed a concessions fee by the Lessee if food and/or beverages are brought onto the course by tournament officials, sponsors, or secured caterers. The City shall set the fee schedule. The concession fee is \$4.00 per golfer up to 100 golfers per shotgun tournament

Where approval or direction of the City is required for items, prices, or procedures not specifically covered herein, the Recreation and Tourism Director and/or Head Golf Professional will normally make such approval or direction.

The Lessee and Lessor agree that in order to provide a high quality of service, it is essential for the operator/manager to participate in the daily operation of the food concession to ensure adequate inventory for uninterrupted service and an efficient operation of the service provided to the customers. The Lessee agrees to be at the food concession area to address any concern or problem, which arises on an as needed basis.

In the event of sickness, vacation or days off, the Lessee agrees to appoint a representative approved in advance by the Recreation and Tourism Director and/or Head Golf Professional shall delegate to his/her representative all authority to operate and manage the snack bar food concession. In the event of an emergency, the Lessee shall notify the Recreation and Tourism Director and/or Head Golf Professional as soon as possible.

3. Hours of Operation

Lessee agrees to provide food and beverage service to all customers of the Bayou Golf Course, their guests and invitees, on an uninterrupted basis. Spring and summer is from the Daylight Savings time change until the time change in October. The hours of operation for the Spring/Summer will be 6:30 a.m. until 7:00 p.m. The Fall/Winter hours of operation will be from 7:00 a.m. until 5:30 p.m. Weather permitting, facilities shall be open every day of the year, excluding Easter Day, Thanksgiving Day, and Christmas Day, New Year's Day or other days the City determines. The Head Golf Professional reserves the right to adjust scheduled days opened as deemed necessary for repairs, tournaments, activity on the course and other considerations as approved or directed by the Head Golf Professional. Hot food should be available and served until (30 minutes before) the closing time.

4. Beverage Cart Station

Lessor shall provide, at a minimum, one beverage cart for use by Lessee, except when cart is in need of repair or maintenance. The cart provided is to be used exclusively on the City's golf course. The cart is to be used by Lessee's employees only and Lessee shall provide stock and employee for sales.

5. Compensation

The minimum bid accepted by all bidders is to be \$1,000.00 per month. The monthly payments are due and payable by the 7th day of each month. All payments shall be paid to the Bayou Golf Course, City of Texas City at 2800 Ted Dudley Drive, Texas City, Texas, until Lessee is notified, in writing, of a different address.

6. Maintenance, Repair and Equipment

The entire snack bar area, including dining room, kitchen and restrooms shall be thoroughly cleaned during the day and at the end of each day, for a minimum of twice daily. Lessee shall be responsible as needed, for all window glass, window sills and light fixtures.

Lessee will provide all cleaning supplies, cleaning tools, including vacuum cleaners, paper products and trash bags, etc. necessary for the kitchen and dining room area. The City will provide soap and paper products for public use in the restrooms. The City will provide and install light bulbs in responsible areas. The Lessee will also be responsible for cleaning the kitchen vent-a-hood grease filters regularly, as well as having the entire vent-a-hood system professionally cleaned at least twice each year. The Lessee shall be responsible as needed to clean window glass, window sills and light fixtures on the Grill side.

The City agrees to pay for all maintenance and repair on the physical facility and all Owner provided equipment, which make up the snack bar area. The Lessee agrees to be responsible for the inventory of all equipment and personal property left in the concession area. The grill cell phone is also considered part of the equipment.

7. Insurance and Indemnification

The minimum insurance requirements for the successful bidder shall be as follows:

A. Workers' Compensation. This coverage must cover all employees and comply with the provisions of the laws of the State of Texas Workers' Compensation Insurance.

B. General Liability Insurance. This coverage must include products, complete operations, and contractual liability coverage of no less than \$1,000,000.00.

C. Liquor Liability Coverage. Lessee shall provide Liquor Liability Coverage of no less than \$500,000.00 (\$250,000 per occurrence).

D. All policies are to be of the Occurrence form.

A thirty-day cancellation notice is required on all said policies. A ten-day notice is required if the cancellation is for non-payment of premium.

The owner Lessor shall be named as an Additional Insured under the insurance policies along with a Waiver of Subrogation for workers' compensation policy.

Policies shall be furnished to the Owner prior to starting work. The Lessee shall keep the insurance in full force and effect at all times during the operation of the concession and shall continue to provide the City current certificate of insurance during the contract period.

All insurance carriers providing coverage should have an A.M. Best rating of (A) or higher and be licensed to do business in the State of Texas.

8. Use

The Lessee will not commit (bury, burn, etc.) any waste on the premises and will comply with all applicable laws and ordinances respecting the use and occupancy thereof, including all Health District rules and permits. At no time should the Lessee or Employee of the grill pour grease down the kitchen sinks. A containment system needs to be in place for these products. Lessee shall use and occupy the premises for the sale of food and beverages, provided that the Lessee shall not use the premises for any purpose which may be hazardous to persons or property, or which may constitute a nuisance. If Lessee wishes to make any alterations, additions, or improvements the Lessee must obtain approval of the Recreation and Tourism Director and/or Head Golf Professional.

9. Permits and Licenses

The Lessee shall procure, at his own expense, all necessary licenses and permits. The Lessee shall obtain appropriate permits from the Texas Alcoholic Beverage Commission and keep such license in good standing during the term of the contract. Failure to keep such permit in good standing will be cause for cancellation of this agreement by Lessor.

10. Contractor's Representatives

Provisions shall be made to provide personnel to perform necessary administration, supervision, and coordination, as required for the performance of this contract. Only competent and skilled representatives are permitted.

All Employees of Lessee shall be neatly attired as approved by the Head Golf Professional and shall conduct themselves professionally, both in appearance and actions, to the satisfaction of the Head Golf Professional.

The City is committed to maintaining an alcohol and drug free workplace. Use or being under the influence of alcohol or controlled substances by employees, while in the performance of this service is prohibited. Violation of this requirement shall constitute grounds for termination of this service.

11. Relationship of Parties

The parties intend that Lessee, in performing services specified in this agreement shall act as an independent contractor and shall have control of his work and the manner in which it is performed. Lessee shall be free to contract for similar services to be performed for other employers while he is under this agreement. Lessee is not considered an agent or employee of the City and is not entitled to participate in any benefit the City provides for its employees.

12. Utilities

The City shall pay all normal utilities that would include water, sewer, electricity and television reception. Any other services will be the Lessee's responsibility.

13. Signs

All signs proposed to be placed on, within, or around the snack bar shall be subject to approval of the Head Golf Professional and shall be compatible with established sign design. Signs will be reviewed on an individual basis.

14. Security

The Lessee will be responsible for all locks securing the facility. The Owner will not be responsible for any theft or trespassing occurring during contract dates. The Lessee will report any graffiti to the Owner within four hours of discovery. Owner will clean or repair any graffiti to facility.

15. Termination of Agreement

This agreement may be terminated without recourse by the City of Texas City, at its option, upon (30) day notice in writing.

In the event the Lessee is unable to provide services within twenty-four (24) hours, the City reserves the right to cancel the contract.

This Lease shall be binding upon the parties, their heirs, administrators, successors and assigns. This Lease shall not be construed against the party drafting same. Venue for any dispute arising out of this Lease shall be in Galveston County, Texas.

Dated this _____ day of _____, 2022.

LESSEE:

The Yellow Dog

By: _____

Jaanai and Joa Sherman, Owners

LESSOR:

CITY OF TEXAS CITY, TEXAS

By: _____

Dedrick Johnson, Mayor

ATTEST:

APPROVED AS TO FORM:

Rhomari Leigh
City Secretary

Kyle Dickson
City Attorney