

**UNIVERSITY OF CALIFORNIA, IRVINE  
&  
ARAMARK EDUCATIONAL SERVICES, INC.**

**CONTRACT FOR  
RETAIL FOOD SERVICES**

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**UNIVERSITY OF CALIFORNIA, IRVINE  
UCI AUXILIARY SERVICES**

**CONTRACT FOR THE OPERATION OF  
RETAIL FOOD AND CATERING**

**I. GENERAL PROVISIONS**

- A. **Name of Parties:** The Contract shall be between the Regents of the University of California, herein called "University", and, Aramark Educational Services, Inc. called the Contractor.
- B. **Dates of Contract:** The agreement shall be effective beginning August 15, 2004 and shall continue through June 30, 2014 unless otherwise terminated as provided for elsewhere herein.
- C. **Definition of Operations:** The University hereby grants to the Contractor the right to operate the food and beverage sales at the following Locations, ("The Locations"):
- Phase I Retail** – Phase I is August 15, 2004 through the date that Student Center Phase IV renovation is completed. Phase I Locations include BC's Cavern, Phoenix Grill, Anteatery, School of the Arts Java City, Engineering Cart, Hewitt Cart, Bistro by the Bridge, Convenience Stores, Medical Plaza Kiosk, Zot N' Go North & South, and Athletic Facilities Concessions.
- Phase II Retail** – Phase II is the date of the Student Center Phase IV opening through June 30, 2014. Phase II Locations include all of Phase I plus the following Student Center locations: Java City, Wendys, New Concept (to be determined) and Subway. Other locations: Physical Sciences, Social Sciences Plaza Café and Sprung Structures for interim retail services.
- Catering/Conference Sales** : During both phases the Contractor may be one of the providers of catering/conference food services to other areas of the campus.
- D. **Payment to University:** In consideration for the right to operate on the campus, the Contractor shall compensate the University as provided for in **Attachment 2** of this Contract.
- E. **Service Requirements:** The Contractor shall work with the University to maintain maximum quality of food service and product as defined in **Section II, Paragraphs A through G**.

F. Insurance Requirements: The Contractor shall obtain, in such form and with such carriers as are reasonably satisfactory to the University, and keep in force at its sole expense during the term of this Contract, the following:

1. General Liability:  
Comprehensive or Commercial Form
  - a) Each Occurrence \$500,000
  - b) Products/Completed Operation \$1,000,000
  - c) Personal and Advertising Injury \$1,000,000
  - d) General Liability \$1,000,000
  - e) Umbrella/Excess Liability \$4,000,000
2. Business Automobile Liability: for Owned, Scheduled, Non-owned, or Hired Automobile with a combined single limit of not less than \$1,000,000 per occurrence.
3. Worker's Compensation: as required under California State Law.
4. Such other insurance in such amounts which from time to time may reasonably be required by the mutual consent of the University and the Contractor against other insurable hazards relating to performance.
5. These policies (except Worker's Compensation) shall include:  
The University, its officers, agents, and employees, as an additional insured to the extent that such parties are liable for losses arising out of Contractor's negligent acts or omissions in performing services under this agreement and shall contain covenant requiring thirty (30) days written notice to the University before cancellation of Coverages.
6. These policies shall be primary and noncontributing with any Insurance carried by the University and shall contain a severability of interest clause as though a separate policy had been issued to each. Certification of insurance shall be furnished to the University at least thirty (30) days prior to the commencement of services provided under this Contract.
7. In the event that the Contractor fails to maintain and keep in force General Liability Insurance with a Fire Legal Liability Endorsement thereto, and Worker's Compensation Insurance as herein provided, along with any other insurance required by the University, the University shall have the right to cancel and terminate this Contract forthwith.

8. Acceptability of Insurers: Insurance is to be placed with insurers with a Best's rating of no less than B+ VI or equivalent rating from Moody's or Standard and Poors. Such carriers shall be admitted to do business in California.

G. Indemnities: The Contractor shall defend, indemnify and hold the **UNIVERSITY AND THE REGENTS**, its officers, employees, and agents harmless from and against any liability, loss, expense, attorneys' fees, or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of such Contractor, its officers, agents or employees.

Contractor shall include the above indemnity language in all subcontracts that require work to be performed on University premises.

H. Property/Monies: As between the University and the Contractor, the Contractor shall bear the full responsibility for all losses from equipment theft, damage, and money or product loss resulting from vandalism or theft except to the extent such losses arise from the negligent acts or willful misconduct of the University. The University shall be entitled to payment of commission for lost or stolen funds. Additionally, the University shall not bear the cost of any product lost/spoiled or stolen regardless of circumstances except theft to the extent such thefts arise from the negligent acts or willful misconduct of the University. In the event an establishment of the Contractor is closed the University shall be owed its normal and customary commission on sales through the date/time of such closing. Customary commission will be calculated based on the same time period from the prior month.

I. University Equipment and Facilities: The Contractor shall be solely liable for any University provided equipment lost or damaged resulting from theft or vandalism, neglect or inattention except to the extent such losses arise from the negligent acts or willful misconduct of the University. The Contractor shall assign to the University all proceeds from insurance for loss or damage of University supplied equipment, or compensate the University for any such loss or damage. Compensation shall be paid for the full replacement value as promptly as possible after receipt of a written request by the University for compensation

J. Taxes and Licenses: Contractor shall obtain at its sole expense any permit(s), license(s), or bond(s) required by this Agreement, any municipal or county ordinance or regulations, and any state or federal law or regulation. The Contractor shall be solely liable for and shall pay at its sole expense all taxes lawfully assessed in connection with or arising out of this agreement.

K. University Rights Concerning Products and Services: The University reserves the right to have designated representatives review, inspect, evaluate, and require changes at the Contractor's expense, in the operation and condition of the facilities at any time with respect to the safety, sanitation, and maintenance of the facilities, all of which shall be maintained at levels satisfactory to the University.

L. Environmental Health and Safety (EH&S): The Contractor's place of business and employees fall under the jurisdiction of the campus Environmental Health and Safety Inspector responsible for insuring that the Contractor's workplace is safe and sanitary.

The campus Environmental Health and Safety Inspector shall make periodic visits to the Contractor's establishments to perform routine unit inspections and health reports. If any areas are noted as unacceptable or unsafe, the Contractor is required to immediately comply with the requests of the Environmental Health and Safety Inspector. Failure to comply could result in the closing of the Contractor's place of business and possibly termination of this Contract, each at the sole election of the University.

In the event such a closing should result from a unit inspection, and the Contractor does not comply, the University shall be owed its normal and customary commission on sales through the date of such closing. If the closure should result because of an act of nature or due to the actions or inactions of the University, the Contractor shall not be required to pay the commission on lost sales. The Contractor shall have no right to recover lost sales resulting from any action or inaction on the part of the University.

M. Ecological Issues: The Contractor is encouraged to be aware of the legitimate concerns of the campus community regarding the preservation of the ecological balance in nature, and the impact of the Contractor's business on the environment.

N. Fountain Beverage Service: The Contractor will be required to sell in the facilities, and offer through its catering program, only products as specified and outlined in the agreement negotiated by UCI and its beverage vendor(s). UCI will make available to the Contractor discounted beverage pricing programs and free equipment, to the extent the University has negotiated for such benefits under its contracts with its beverage vendor(s).

O. Promotions and Marketing: An on-going marketing program is required. The Contractor shall meet each quarter with the University representatives to review options and objectives of the marketing program. The expense of these programs shall be borne by the Contractor.

- P. University Meeting Requirement: The Contractor's management shall meet regularly with University representatives, and periodically when requested by the University with other food service operators on campus. The Contractor also has the right to request such an extended meeting with the University, and the University shall facilitate such a meeting in a timely and responsive manner. The Contractor shall make every effort to work well with all other Contractors on the campus and help insure the orderly operation of the overall University food service program.
- Q. Coupons: The Contractor shall provide the University annually, fifteen hundred dollars credit for meal service that shall be used to periodically monitor service and provide additional liaison and communication with customers.
- R. Disaster Plan/Interruption of Utilities: The Contractor may be called upon to provide food service to persons on campus during an emergency according to the Campus Disaster Plan. The Contractor shall be reimbursed for all costs, but shall not be reimbursed for lost revenue from an interruption in service that is outside the control of the University. Further, the Contractor shall not be reimbursed for lost revenue when the University is required to shut down utilities for emergency service or any other interruption warranted by activities required or necessary on the campus. The provisions of this Subparagraph "R" shall not limit the last sentence of Subparagraph "L".
- S. Mechanics Liens: The Contractor agrees that it will pay or cause to be paid, all costs for work done by it or caused to be done by it on the premises; and the Contractor shall keep the premises free and clear of all mechanic's liens or other liens. The Contractor agrees to and shall indemnify, protect, defend, and save the University to be free and harmless against any and all liability, loss, damage, costs, attorney's fees, and all other expenses, on account of claim(s) of lien of laborers or material persons, or others for work performed and/or material or supplies furnished to the Contractor or persons claiming under it.

If the Contractor shall desire to contest any claim of lien, it shall furnish the University adequate security of equal value or an amount equal to the claim plus estimated costs and interest. In place of this amount, the Contractor may supply a bond from a responsible surety, in such amount conditioned on the discharge of the lien. If a final judgment establishing the validity or existence of a lien for any amount is entered, the Contractor shall pay and satisfy the same at once.

If the Contractor is in default in paying any charge for which a mechanic's lien claim and suit to foreclosure of the lien has been filed, and has not given the



University security to protect the property and the University against such claim of lien, the University may, but shall not be required to, pay the said claim and any cost. The amount so paid, together with reasonable attorney's fees incurred in connection therewith, shall be immediately due and owing from the Contractor to the University, and the Contractor shall pay the same to the University, with interest, at the maximum lawful rate from the date the University incurs the debt.

Should any claims of lien be filed against the premises or any action affecting the title to such property be commenced, the party receiving notice of such lien or action shall forthwith give the other party written notice thereof.

The University and its representative shall have the right to go upon and inspect the premises at all reasonable times, and shall have the right to post, and keep posted thereon, notices of non-responsibility, or such other notices which the University may deem to be proper for the protection of the University's interest in the premises. The Contractor shall, before the commencement of any work, which might result in any lien, give the University written notice of its intention to do so in sufficient time to enable the posting of such notice(s).

- T. Proprietary Materials: University agrees that all computer software programs, signage, and marketing and promotional literature and materials (collectively referred to as "Proprietary Materials"), owned or licensed and used by the Contractor on the University's campus in connection with the food services provided by Contractor under this Agreement, shall remain the property of Contractor. Upon termination of this Agreement, all use of trademarks, service marks, and logos owned by Contractor or licensed to Contractor by third parties shall be discontinued by University, and University shall immediately return to Contractor all Proprietary Materials.

## **II. PERFORMANCE STANDARDS AND FOOD SPECIFICATIONS**

- A. Overall Quality: The Contractor shall provide the maximum quality of food, service, and good public relations to all members of the campus community. The Contractor is obligated to provide all management required insuring the satisfactory performance of this Contract.
- B. Food Standards: The following shall be employed by the Contractor
1. Beef - USDA inspected, Grade Choice.
  2. Ground Beef - Shall not have a fat content to exceed 22% of weight.
  3. Poultry - USDA inspected, Grade A.

4. Fish and Seafood - Fish must be a nationally distributed brand, packed under continuous inspection by the U.S. Department of Interior and any other applicable regulatory agencies.
5. Eggs and Dairy Products - USDA inspected, Grade A.
6. Produce - Number 1 quality
7. Canned Fruits, Fruit Juices and Vegetables, USDA inspected, Grade A fancy.
8. All Other Food Products - Must be of comparable quality to the items specified above.
9. No veal products may be served.
10. The Contractor is encouraged to avoid meat products derived from animals raised on the South American continent.

C. General Standards: The following service standards shall be followed in food preparation, service and cleanup:

1. All food shall be attractively displayed.
2. Serving lines and counters shall be well stocked throughout the entire time of service. The last customer shall be offered as good a product offering and selection as the first customer.
3. All hot food shall be served hot (above 140 degrees F), and all cold food shall be served cold (below 41 degrees F, unless otherwise approved by the University).
4. All the Contractor's employees shall be instructed in proper:
  - Preparation of food products offered.
  - Cleaning procedures.
  - Personal hygiene and dress standards.
  - Sanitation standards.
5. All the Contractor's employees shall be polite in their service and diplomatic when enforcing University and/or unit rules and regulations.
6. Housekeeping and general unit sanitation shall always meet the highest possible standard and shall at all times be acceptable to the campus Environmental Health and Safety Inspectors.
7. All food products stored in the unit shall be properly wrapped, with the date of production clearly written on the package.
8. All spills shall be removed promptly.
9. All the Contractor's employees shall wear uniforms, nametags and hats.
10. Contractor's employees shall participate in any food service certifications programs required by the University.

11. All foods packaged by the operator must be clearly labeled with the name of the product, ingredients, date prepared and sales price.
- D. Philosophy: The Contractor, at its sole expense, shall provide maintenance and regular cleaning in its preparation, serving and any other areas utilized by the Contractor. The University shall provide bussing and cleaning services for the Student Center indoor and outdoor dining areas, in addition to the planters and lawn areas next to the outdoor dining areas. The Contractor is responsible for reimbursing the University for its portion of the cost of bussing and cleaning of these areas. The Contractor's share of this cost will be calculated by the following formula: UCI Student Center Food Court Common Area Expense times Contractor's net sales divided by the UCI Student Center Food Court Net Sales. The contractor selected for cleaning and bussing will be reviewed annually and selected by the University with input from the Contractor.
- E. Utilities: All utilities associated with the Contractor's operation (e.g. natural gas, domestic water, electricity, telephone, Heating, Ventilation and Air Conditioning, etc.) shall be separately metered at Contractor's expense with all utility charges paid directly by the Contractor. Additionally, the University shall bill the Contractor for its portion of utilities (e.g., gas, electricity and HVAC) related to the dining areas.
- F. Security: The Contractor shall secure all areas within its control at all hours. Any damages or losses related to not securing the Contractor's areas of operation will be borne by the Contractor. The Contractor shall sign for all keys issued to the Contractor by the University. Any expense incurred by the University as a result of a failure to secure, or due to the loss of any key(s), shall be charged to the Contractor for reimbursement. The Contractor is obligated to notify the University of any breach of security, including the immediate notification of the loss of any keys. The Contractor shall work with the University and the University of California, Irvine Police Department to insure the safe operation of the Locations.
- G. Unit Pest Control Program: The Contractor shall arrange for pest control in the Concession Storage Area by a licensed pest control company approved by the University. The Contractor shall provide the University a copy of all pest control reports.

### **III. AREA IMPROVEMENTS, EQUIPMENT AND OPERATING SUPPLIES**

- A. Description of Contractor's Facilities: The University shall provide the Contractor the right to space in the assigned retail locations and Convenience Stores. This space is provided to the Contractor in a clean condition and partially equipped with University provided equipment. Upon the start of the contract the University shall be responsible for compliance with all federal, State and local health and safety regulations with respect to the food service facilities. On an annual basis the University and Contractor shall inventory all University provided equipment. The Contractor shall replace any lost, damaged or destroyed University provided equipment to the extent such loss, damage, or destruction results from the negligent action or willful misconduct of the Contractor. All such replacements shall become the property of the University. The University and the Contractor shall each maintain a copy of this annual equipment inventory.
- B. Leasehold Improvements/Renovations: In consideration of the University's agreement to award and continue this Agreement with Contractor under the additional terms and conditions set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ARAMARK shall make a financial commitment to the University in an amount of \$2,600,000 (the "Financial Commitment") for food service facility renovations and for the purchase and installation of food service equipment, area treatment, signage, temporary structures for service and other costs associated with the new Student Center and other retail locations for the Campus Food Service Program on Client's premises. Any equipment purchased by Contractor on the University's behalf shall be purchased as a "sale for resale" to the University. University shall hold title to all such equipment (with the exception of those items which bear the name of Contractor, its logo, or any of its logo, service marks or trademarks or any logo, service marks or trademarks of a third party) upon such resale. University acknowledges that it is a 501 3c tax exempt entity and will provide Contractor with a copy of the appropriate tax exempt certificate. Such Financial Commitment shall be made in two phases ("Phases"), with Phase I of the Financial Commitment in the amount of \$203,000 to be amortized over a period of ten (10) years and with Phase II of the Financial Commitment in the amount of \$2,397,000 to be amortized over a period of eight (8) years. Each of the Phases of the Financial Commitment will be amortized on a straight-line basis over the period of years set forth with respect to each Phase above, commencing, in each case, upon the complete expenditure of the respective Phase of the Financial Commitment.

In addition to the above amounts, Contractor agrees to expend an amount not to exceed \$2,600,000, for the installation of a "Wendy's" restaurant, at no cost to the University.

In addition, all unamortized capital from the Phoenix Grille & Convenience Stores, contract dated July 1, 2003 through August 31, 2010 will continue as

provided in that contract (see attachment 6). All other terms contained in that contract (Attachment 6) are hereby superceded by this agreement.

Any changes to the allocation of the funds provided through the Financial Commitment for the Campus Food Service Program would be mutually agreed upon.

- C. Eating Utensils: The Contractor shall provide each customer with high quality disposable plastic eating utensils. Further, each customer shall be provided with two napkins. Cups and plates may be of either styrofoam or high quality paper. Whenever possible, paper products shall be made in part from recycled materials. In the event that the Contractor sells branded products, the Contractor is encouraged to serve these products in cups or plates with the logo of the brand printed on it. The Contractor shall provide carryout containers for all customers requesting them.
- D. Other Supplies and Equipment: At the Contractor's expense, the Contractor shall provide and maintain all supplies and equipment required making the unit fully operational, Including cash registers, computer systems, office furniture, etc. The Contractor shall provide all janitorial and supplies required for the safe and sanitary operation of the facilities. The Contractor shall furnish all food, beverages, equipment, Small wares, supplies and service wear (including plates, takeout containers, napkins, high quality plastic forks, knives and spoons, beverage cups, lids and straws), and any other customer supplies necessary to operate the Facilities. The Contractor may not install any revenue generating equipment, including but not limited to public payphones, internet kiosks, etc.
- E. University Provided Equipment: The Contractor shall be responsible for all costs associated with the repair and preventive maintenance of any University provided equipment.
- F. Inventory: At the termination of this Agreement, University agrees, if requested by Contractor, to either purchase directly or to cause Contractor's successor to purchase Contractor's usable inventory of food and supplies. The purchase price for such inventory shall be Contractor's invoice cost.

#### **IV. PERSONNEL**

- A. Salary and Benefits: With the exception of BC's Cavern, the Contractor understands and agrees that it shall employ all the personnel necessary to staff the operations described in Section I. C. All such employees are employees of Contractor. Contractor assumes full and sole responsibility for those employees and is solely responsible for payment of wages, benefits and for all state and federal income taxes, unemployment insurance, Social Security, disability insurances and other applicable withholding. Contractor assumes

full and sole responsibility for ensuring compliance with all federal, state and local laws and regulations that cover these employees.

- B. Disclaimer of University Employment: All employees of the Contractor are expressly not employees of the University of California, Irvine. UCI shall not control, direct or supervise Contractor's employees. The Contractor's employees, with the exception of UCI students, are not eligible for University privileges, including use of University facilities unless open to the general public. The Contractor shall make this known in writing to all employees.
- C. Adequate Staffing: The Contractor shall maintain an adequate staff at all times, and on all shifts, to ensure its ability to deliver quality food service to the campus in accordance with the terms of this Agreement. This includes competent personnel for all job stations and tasks associated in accord of the terms of this agreement.
- D. Notice of Reassignment: In the event any management staff is to be reassigned to another operation, the Contractor shall give the University three weeks notice of this reassignment. The Contractor may dismiss personnel without prior University approval.
- E. Termination of Contractor's Personnel: All Contractor's personnel shall be subject to University regulations regarding personal behavior and the use of University property. The University shall provide the Contractor with a copy of all regulations regarding personnel. In the event of University disapproval of the conduct or behavior of any employees, the University shall inform the Contractor. An offending employee of the Contractor shall be removed from the campus immediately upon the receipt of a written request from the University. Such written request shall be initiated by the University after reviewing all the relevant information with the Contractor. Among specific causes, but not limited to these causes, would be the following: inflicting or threatening physical abuse, verbal abuse on any person, sexual harassment, damaging University grounds or property, disrupting patrons' enjoyment of the Locations, or any other conduct or action considered inimical or offensive to the University.
- F. Equal Employment Opportunity: The Contractor shall abide by all Federal, State and Local Ordinances, statutes, law and University Policies concerning discrimination and harassment.
- G. Supervisory Management: The Contractor shall provide supervisory management and staff support for the Locations. Contractor shall provide the University with a complete list of the appropriate supervisory staff. The supervisory staff shall also provide routine, periodic review and inspections of

the facility, and report on these visits to the University. Supervisory management shall meet periodically with the University to receive information and recommendations, and to institute changes as mutually agreed. Supervisory management shall be available to meet with campus committees, including interested student committees. The Contractor's offices shall be open for reasonable visitation and fact-finding, as required to monitor the Contractor's campus operation.

- H. Employee Training: The Contractor shall provide adequate training for its employees at all levels of the operation.
- I. UCI Student Employees: The Contractor is encouraged to make every effort to provide UCI students with opportunities for employment as service staff, as well as student managers.
- J. Parking: Each Contractor employee vehicle parked on campus shall have a University of California, Irvine parking permit. Permits may be obtained by payment of the prevailing parking fees charged by the University to its own employees.
- K. Employee Identification: The Contractor shall provide uniforms and identification tags to all employees which shall be worn at all times while performing work on the University of California, Irvine campus.
- L. Employee Roster: Upon request by the University, the Contractor shall supply a complete list of all employees, supervisors and management.
- M. Unit Management Complement and University Approval: The Contractor shall always have a manager present when the Locations are open for business. At all times a unit is open to the public, a member of the unit management team shall be on duty. Key supervisory personnel are not considered management.
- N. Personnel Compliance: Employees of Contractor will be subject to the rules and regulations of University while on University's premises.

**V. ADMINISTRATION OF CONTRACT**

- A. Correspondence: All correspondence pertaining to this Contract shall be directed in writing to the appropriate party as set forth in the "Notices" provision of this Contract. There shall be no verbal deviations whatsoever from this Contract.
- B. Price Changes: Any change in sale price of any item must have prior written approval by the University. Request for changes in sale price must be

proposed in writing to the University by July 31 of each year, together with justification and/or documentation which validates the request. The University reserves the right to reject price change requests if appropriate justification is not provided. The University shall issue an approved price list by August 15 of each year, which shall be effective September 1.

Notwithstanding the foregoing, if Contractor sustains increases in its costs, including but not limited to increases in its product or labor costs, Contractor, with written notification to and approval of the University, may increase its prices to recover such increased costs. Contractor shall have the right to implement such price increases within 30 days of written approval by University.

## VI. ACCOUNTING COMMISSIONS AND PAYMENTS

- A. Accounting Period: The accounting period shall be as mutually agreed between the University and the Contractor, but in no instance shall there be less than twelve (12) accounting periods in a year.
- B. Cash Receipts: Contractor shall retain all cash receipts from the operations hereunder.
- C. Records: Contractor shall maintain accurate, complete, and separate books of accounts according to accepted standards of accounting for each Location, on the University of California Irvine campus, together with appropriate supporting data and documents as determined by the University. Contractor shall retain all cash receipts from the operations hereunder.
- D. Inspection: Contractor shall make said books of accounts and said supporting data and documents available for inspection, reproduction, and audit by the University at all reasonable times upon reasonable notice, for a period of at least five (5) years after the fiscal year in question.
- E. Reports: Contractor shall provide such special reports covering its operation under this Contract as may be reasonably requested by the University to monitor the unit's operation.
- F. Sales Reports and Commission: The Contractor shall make payment to the University for all monies due to the University for the previous month by the twenty-fifth (25) of the month. If payment is late, the Contractor shall pay a twenty dollar late fee plus a percentage of the unpaid balance equal to the current University Short Term Interest Pool (STIP) interest rate. All checks shall be made payable to **THE REGENTS OF THE UNIVERSITY OF**



**CALIFORNIA** and delivered to the Director of UCI Food Services. The office is located in Suite C-134 UCI Student Center.

Upon the request of the University, the Contractor shall meet and review any information related to unit sales, including an explanation of deviations, discussion of problems, and agreement to mutually accepted solutions required to maximize sales and commission income to the University

- G. Audits: The University shall be informed by the Contractor of any audit (other than internal audit) of the Contractor's records. The University shall receive a description of such audit reports.
- H. Uncollectible Debts: At the end of the Contract any debts uncollected shall remain the responsibility of the Contractor. Commissions are due to the University at the time of billing, not at the time of collections. The Contractor shall receive no rebate or reimbursement for Commissions paid on uncollected debts.

## **VII. NON-ASSIGNMENT**

This Contract, any part thereof, or any rights or duty thereunder may not be assigned, delegated, or subcontracted by either party without the prior approval the other party, which approval may be granted or withheld within the sole discretion of the other party.

## **VIII. CONTRACT TERMINATION**

- A. University Rights and Privileges for Termination: The University may cancel this Contract, if the Contractor fails to comply with any of the terms or conditions of the Contract. Ground for termination notice shall include, but are not limited to, failure to: maintain insurance referenced in the provisions of **Section I, Paragraph F**, enforce required health and sanitation standards, keep wages and vendor payments current, properly maintain the facility and equipment, and maintain satisfactory level of service. If the University deems the Contractor to be in non-compliance, the University shall first serve the Contractor with written notice stating the time line to establish compliance. If the Contractor fails to establish compliance within this period, as determined by the University, the University shall serve the Contractor with the written thirty (30) days termination notice. The period to establish compliance for each category for which notice may be given is defined as follows:

FAILURE TO MAINTAIN INSURANCE COVERAGE: Five (5) working days.

FAILURE TO ENFORCE REQUIRED HEALTH AND SANITATION STANDARDS: As determined by the EH&S inspector.

FAILURE TO KEEP WAGE AND VENDOR PAYMENTS CURRENT: Ten (10) working days.

FAILURE TO PROPERLY MAINTAIN THE FACILITY AND EQUIPMENT: Thirty (30) days.

FAILURE TO MAKE FINANCIAL RECORDS AVAILABLE: Seven (7) working days.

FAILURE TO MAINTAIN PERFORMANCE STANDARDS: Ten (10) working days.

FAILURE TO MAKE PAYMENTS TO THE UNIVERSITY: Ten (10) working days.

ANY OTHER CAUSES: Thirty (30) days.

- B. Period to Cure and Termination: If the failures by the Contractor to perform are chronic and/or repetitive in nature, the compliance time line shall be revoked and University may terminate this Contract immediately.
- C. Contractor's Rights of Termination: If the Contractor deems the University to be in non-compliance, the Contractor shall first serve the University with written notice providing thirty (30) days to cure any non-compliance. If the University fails to establish compliance within this period, the Contractor may serve the University with ninety (90) days written notice of termination.
- D. Acts of God or Nature Beyond the University's Control: In the event the premises are destroyed, partially or in whole by fire or by other casualty, rendering the Contractor unable to provide services; and such premises cannot be restored to operating status within one hundred twenty (120) days, the Contractor may elect to terminate this Contract by serving written notice to the University. If the Contractor is unable to operate due to an act of God, beyond the University's control no commission on sales payment shall be due during this period. The University shall not be liable to the Contractor for any loss of property or income incurred by the Contractor resulting from such destruction.
- E. Termination Without Cause: After 90 days from the start date of the initial term of this Contract, either party may terminate this Contract without cause by giving the other party one-hundred twenty days (120) written notice.



discussions, negotiations, or other agreements. The parties acknowledge that they have not been induced to enter into this agreement by any oral or written representations or statements not expressly contained in this Contract. This agreement may be modified, or any provision waived, only by a writing signed by the parties.

This agreement consists of nine (9) sections and 5 attachments.

IN WITNESS THEREOF, the parties hereto have caused this **CONTRACT** to be executed by their respective proper officers; thereunto duly authorized the day and year first above written.

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**

**By:**

\_\_\_\_\_  
**Harry Gunther**

**Title:** **Director, UCI Material and Risk Mgmt**

**Date:** \_\_\_\_\_

**By:**

\_\_\_\_\_  
**Dan Dooros**

**Title:** **Interim Executive Director  
Student Affairs Auxiliary Services**

**Date:** \_\_\_\_\_

**ARAMARK EDUCATIONAL SERVICES, INC.**

**By:**

\_\_\_\_\_  
**Scott Parrill**

**Title:** **Regional Vice President**

**Date:** \_\_\_\_\_

**ATTACHMENT 1**  
**HOURS OF OPERATION**

Hours of operation will be mutually agreed upon, for all Locations. The University reserves the right to use the Locations outside of the “Hours of Operation” for University business or services. The Contractor may not sublease or rent the Locations.

## ATTACHMENT 2

### PAYMENT TO THE UNIVERSITY

#### I. Commissions

A. Definitions: As used in this agreement, “Commissions” shall be defined as a specified percentage (%) based on the definition of Gross Revenues set forth herein. The contractor will pay the following commissions to the University monthly, during the entire term of the contract, based on Gross Revenues. Gross Revenues shall mean the gross receipts of Contractor derived from all sources pertaining to the operation of the Location and the Project Improvements, or any part thereof, including without limitation all sales of merchandise, food, beverages, services, gift or merchandise certificates, and all other receipts of all business conducted at, in, about, from or on the Location. The University reserves the right to approve any music systems, signed market or electronic boards, and reserves the right to revenues from such systems. Gross Revenues shall not include any sales taxes. Payment shall be made as outlined in Sec. VI-F.

#### B. Phase I - Commission structure

1. Commissions for Catering/Conference/Athletic Facilities  
Concessions sales will be 10%.
2. Commissions for Retail Locations will be as follows:

Sales \$0.0M to \$2.5M	5.0%
Sales in excess of \$2.5M to \$3.5M	6.0%
Sales in excess of \$3.5M to 4.5M	7.0%
Sales in excess of \$4.5M and beyond	8.0%

#### Locations covered under Phase I

- BC’s Cavern - Biological Science Plaza. Choose from three different restaurants ranging from Mexican to Italian to Deli specialties. To be included will be Grab N’ Go selections and a breakfast menu.
- Phoenix Grille - Aldrich Park between Social Science Hall and the Engineering Tower. Selections will include Einstein’s Bros., AFC Sushi, Grille Works, Tortilla Fresca, and Grab N’ Go.
- Anteatery - Behind the Science Library in the College of Medicine. A Grille Works, express Grab N’ Go, and breakfast menu will be offered.
- Cyber A Café - Claire Trevor School of the Arts. A Java City with a full line of espresso drinks, bagels, and upscale pasteries, smoothies, a lunch menu of baguettes and fresh salads,

and a Grab N' Go selection. The Location will be open and serving for special events in the School of the Arts, with an appropriate menu per event.

- Engineering Cart – Engineering Plaza. This will be a mobile snack cart, serving express Grab N' Go products. This includes bakery products, brewed coffee, and bottled drinks.
- Hewitt Cart – College of Medicine. This will be a mobile snack cart, serving express Grab N' Go products. This includes bakery products, brewed coffee, espresso drinks, and bottled drinks.
- Zot N'Go North – A sprung structure in the Social Science Plaza, offering standard convenience store product lines.
- Zot N' Go South – BC's Cavern. This Location will offer standard convenience store product lines.
- Sprung Structure – Located in Social Science Plaza, services to be determined.
- Bistro by the Bridge – Humanities Instructional Building. A BBQ grill concept, with a morning brewed coffee and bakery product menu.
- Medical Plaza Kiosk - This will be a mobile snack cart, serving express Grab N' Go products. This includes bakery products, brewed coffee, and bottled drinks.
- Athletic Facilities Concessions – Will operate the food and beverage concessions for events held at the Crawford Athletic Complex, Anteater Baseball Stadium, and the Anteater Aquatics Center.

### C. Phase II Commission

1. Commissions for retail Locations will be 8%
2. Commissions for Catering/Conference sales will be 10%

### **Locations covered under Phase II**

- Java City – To be located in the UCI Student Center. A full line Java City with sandwiches, espresso, brewed coffee, smoothies and Grab N' Go.
- A RFOC (Real Food On Campus). Offers an entire branded portfolio of concepts with multiple cooking platforms. To be located in the UCI Student Center.
- Subway – A full service Subway sandwich shop, to be located in the UCI Student Center.
- Wendy's – A full service Wendy's, through a sub-contracting agreement with the Wendy's corporation. Terms and conditions are already pre-established with ARAMARK. The contract terms will coincide with this contract agreement. Wendy's will take the responsibility to provide the financial resources to finish out the retail space. ARAMARK will manage the sub contractor and pay UCI commissions on all sales generated at this location as defined by Gross Sales at 8% commission rate.
- Café Espresso – Located in the Physical Sciences neighborhood. Product selection will focus on Grab N' Go items, bakery products, brewed coffee program and espresso program.
- Spinz – Located in the Social Sciences neighborhood. Product selection will focus on Grab N' Go items, bakery products, brewed coffee program, espresso program, and smoothies.
- BC's Cavern – A RFOC (Real Food On Campus). Offers an entire branded portfolio of concepts with multiple cooking platforms.



- Phoenix Grille – Refer to Phase I.
  - Anteater - Refer to Phase I.
  - Medical Plaza kiosk - Refer to Phase I.
  - Cyber A Café - Refer to Phase I.
  - Engineering Cart - Refer to Phase I.
  - Hewitt Cart - Refer to Phase I.
  - Zot N’Go North – Located in the UCI Student Center. This Location will offer standard convenience store product lines.
  - Zot N’ Go South – Refer to Phase I.
- II. Equipment provided for the Contractor by the University: Contractor pays all repair and preventive maintenance costs.
- III. Pest Control: To be arranged for by the Contractor and paid for by the Contractor.
- IV. ScanPlus Fees: ARAMARK will provide, to selected retail locations on campus, a card reader system for transactions. All locations will be mutually agreed upon by ARAMARK and the University. A 3% transaction fee will apply for all non-ARAMARK locations. A 2% transaction fee will apply only for the University Bookstore. All equipment will be the property of ARAMARK. ARAMARK is solely responsible for damage that may occur to the equipment, and all installation charges.
- V. Reimbursement of Salaries and Benefits for University Employees at BC’s Cavern on the Green: ARAMARK shall reimburse the University for salaries and benefits of six (6) full time positions filled by University of California employees, assigned to BC’s Cavern on the Green. All salaries and benefits are to be paid throughout the life of this agreement. ARAMARK will be invoiced monthly. These positions will not be relocated, transferred, or reassigned.

### **ATTACHMENT 3**

#### **UNIVERSITY PROVIDED EQUIPMENT**

List to be provided and attached upon mutual inspection of the facility.

**ATTACHMENT 4**

**LEASEHOLD IMPROVEMENTS/RENOVATIONS**

**To be determined throughout the Life of the Contract**

**ATTACHMENT 5**  
**OPERATION OF ATHLETIC FACILITIES CONCESSIONS**

- A. Applicable Dates : Beginning 8-23-2004, and continuing through 8-15-2005, Contractor shall operate University Athletic facilities concessions as stated in this Attachment, consistent with all the terms set forth in the Agreement.
- B. Definition of Operations : The University hereby grants to the Contractor the right to operate the food and beverage concessions for events held at the Crawford Athletic Complex, Anteater Baseball Stadium, and the Anteater Aquatics Center.
- C. Commissions: The contractor will pay the following commissions to the University  
Monthly: **10% of all Gross Revenues**. Gross Revenues is defined in Attachment 2. Payment shall be made as provided in Sec. VI-F.
- D. Equipment provided for the Contractor by the University : Contractor shall pay all repair and preventive maintenance costs. All equipment is to be provided by the Contractor.
- E. Pest Control: To be arranged for by the Contractor and paid for by the Contractor.
- F. Possible Renewal: The parties may agree to renew Contractor's rights and obligations concerning University Athletic facilities concessions on an annual basis beginning 8/16/05. Any such agreement to renew will be in writing and signed by both parties. This provision regarding potential renewal does not create any binding obligations for either party.