

ORIGINAL

AMENDMENT TO MASTER CONCESSION AGREEMENT BETWEEN THE CITY OF OAKLAND AND MONTCLAIR GOLF ENTERPRISES, INC. FOR THE MONTCLAIR GOLF COURSE

This Amendment to the Master Concession Agreement, hereinafter referred to as "Concession Agreement" is made and entered into this 7 day of January, 2003 by and between the CITY OF OAKLAND, a municipal corporation, hereinafter referred to as "City" and Montclair Golf Enterprises, Inc., a California corporation, hereinafter referred to as the "Concessionaire" in Oakland, California.

WITNESSETH

WHEREAS, the City of Oakland is the owner in fee of that certain property known as Montclair Golf Course, located at 2477 Monterey Boulevard, Oakland, California; and

WHEREAS, on June 11, 1997, the City and Concessionaire entered into a Concession Agreement for the operation, maintenance, and construction related to the Montclair Golf Course; and

WHEREAS, this amendment is limited to the provisions described below regarding rent, internet sales, certain improvements as described herein, term extension, maintenance standards, and does not include any amendments or modifications to the Agreement relating to assignment of the Concessionaire's interest as security for the \$750,000 loan from Metropolitan Bank; and

WHEREAS, the City and Concessionaire have negotiated and agreed to certain modifications to the Agreement regarding rent, internet sales, and certain improvements including provision of a fire hydrant, retaining wall, and drainage system, term extension, and maintenance standards; and

NOW, THEREFORE, the parties execute this Amendment to the Concession Agreement as follows:

1. RENT

The annual rent calculation shall be according to the formula stated in the Agreement at Section 7 and will be discounted provided as follows. For the ten-year period beginning in May 2003 and ending on April 2013, all rent calculated to be due below the amount of \$60,000 shall be discounted to \$18,000 per year (\$1,500.00 per month). During the first three years of such ten-year period, no additional rent shall be due for rent calculated above \$60,000. Commencing with the fourth year of such ten-year period, rent calculated to be due between the amounts of \$60,000 and \$80,000 for each year shall be discounted to 50% of the amount determined to be due for such range, rent calculated to be due between \$80,000 and \$100,000 shall be discounted to 80% of the amount determined to be due for such range, and

rent calculated to be due in excess of \$100,000 per year shall not be discounted and City shall be entitled to 100%. After the expiration of the ten-year period provided for in this amendment, the rent due would be determined as provided in paragraph 7 of the Agreement with no other discounts.

2. TERM EXTENSION

The term of the Agreement as provided in Section 3 of the Agreement shall be extended to the last day of the twenty-fifth (25th) year from the date of this amendment.

3. INTERNET SALES

Concessionaire has represented to the City that its internet sales and sales of merchandise by mail do not and will not adversely impact on its on-site sales that are subject to the calculation of rent under the Agreement and the City, in reliance thereon, agrees that so long as such representation continues to be true, internet sales and other sales of merchandise by mail will not be included in the calculation of rent. Concessionaire agrees to provide the City with any and all receipts, on at least a monthly basis, of all internet sales of merchandise in order for the City to determine the continuing accuracy of Concessionaire's representation. If the City in its sole discretion determines that such sales adversely impact on Concessionaire's on-site sales, the City may begin immediately to calculate rent based on sales of both on-site and internet sales.

4. FIRE HYDRANT/RETAINING WALL/DRAINAGE SYSTEM

Concessionaire shall install and maintain at his sole cost and expense a fire hydrant that shall meet all applicable specifications as determined by the Fire Department. Concessionaire shall construct at his sole cost and expense an additional retaining wall and drainage system located along the perimeter of the parking lot and extending approximately 100 feet from the existing retaining wall. The purpose of the retaining wall and drainage system is to eliminate water run-off into the parking lot. Concessionaire shall be solely responsible for the adequacy, maintenance, and repair of such retaining wall and drainage system. Concessionaire shall obtain all applicable permits, including, but not limited to, building and grading permits, if required, and shall comply with all applicable rules, regulations, codes, and laws. Concessionaire shall provide the City with plans and a construction schedule prior to beginning work.

5. STANDARDS OF MAINTENANCE

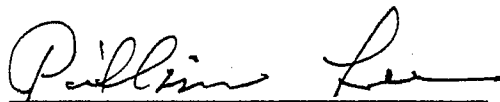
In addition to the standards described in Exhibit A of the Agreement, Concessionaire shall maintain and operate the premises to a standard of quality of at least equal to the standards required of Chabot and Galbraith Golf Courses.

6. EFFECTIVE DATE OF AMENDMENT

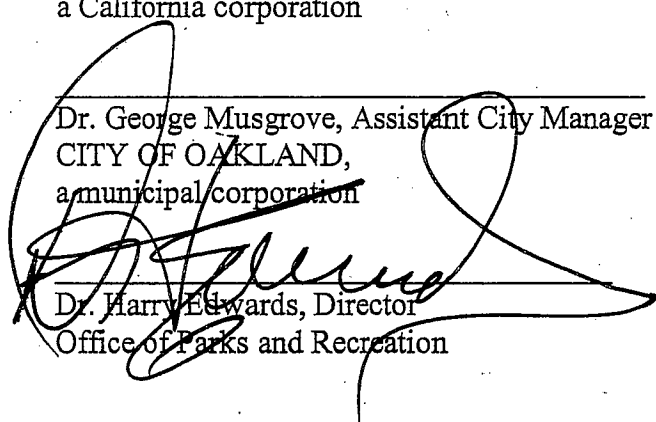
This Amendment shall be effective the first day of the month immediately following the date of execution of this Amendment by both parties.

All other terms and conditions of the Concession Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the City Manager of the City of Oakland thereunto duly authorized by Resolution No. 77532 C.M.S. of the City Council, has caused the name of the City of Oakland to be hereto subscribed, and Concessionaire has caused its name to be affixed hereto all in triplicate the day and year first above written.



Pillim Lee, President
Montclair Golf Enterprises, Inc.,
a California corporation



Dr. George Musgrove, Assistant City Manager
CITY OF OAKLAND,
a municipal corporation

Dr. Harry Edwards, Director
Office of Parks and Recreation

APPROVED:



Office of the City Attorney

MKT

MASTER CONCESSION AGREEMENT
MONTCLAIR GOLF COURSE

THIS AGREEMENT is made and entered into this 11th day of JUNE, 1997, by and between MONTCLAIR GOLF ENTERPRISES, INC., a California corporation, hereinafter referred to as "CONCESSIONAIRE" and the CITY OF OAKLAND, a municipal corporation, hereinafter referred to as "CITY,"

WITNESSETH

WHEREAS, the City of Oakland is the owner in fee of that certain property known as Montclair Golf Course, located in Upper Dimond Canyon Park, 2477 Monterey Boulevard, Oakland, California, and more particularly described in Exhibit E; and

WHEREAS, the Montclair Golf Course is a multifaceted golf facility, consisting of a restaurant, bar, pro shop, lighted driving range, nine hole pitch and putt golf course, miniature golf course and parking lot; and

WHEREAS, the City hereby grants to the Concessionaire the exclusive right and privilege of operating the golf facility, restaurant, and bar concessions at the Montclair Golf Course pursuant to the terms and conditions set forth in this agreement;

NOW, THEREFORE, for the promotion of golf related activities in the City of Oakland and for and in consideration of the faithful performance of the Concessionaire and City of the terms, covenants and conditions hereof and of the payments herein provided to be made by Concessionaire, the City and Concessionaire hereby agree as follows:

SECTION 1. GENERAL

Subject to Agreement to be entered into, the City will grant to Concessionaire the exclusive right and privilege of operating and maintaining a golf driving range, golf practice area, golf professional shop, golf professional concession, miniature golf course, restaurant and bar concession, and parking lot at the Montclair Golf Course in Oakland, California. Concessionaire shall have the exclusive use of the golf pro shop, bar, kitchen, restaurant, driving range, miniature golf, pitch and putt course and parking lot. The golf pro shop shall be operated as a retail golf merchandise sales shop.

The restaurant and bar service shall be operated as a "full restaurant" operation offering complete meals, snacks and/or refreshments, including hot and cold beverages, soft drinks, beer, wine and distilled spirits, candy and shelled nuts, ice cream specialties, and similar merchandise. Restaurant type of patron food service shall be provided in the restaurant and bar; paper plates, cups or flatware or glassine bags, etc., will not be acceptable. Said Concessionaire will also have the privilege of catering to private parties.

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SECTION 2. LOCATION

The Montclair Golf Course is historically located in Upper Dimond Canyon, 2477 Monterey Boulevard, Oakland, California, and is more particularly described in Exhibit E, attached hereto and incorporated herein by reference.

The landslide referenced in this Agreement is located on the northwest facing slope of Montclair Golf Course adjacent to the Clubhouse maintenance building.

SECTION 3. TERM OF AGREEMENT

The term of this Agreement shall commence with the first day of the month immediately following the date of execution of this Agreement by both parties.

The Agreement shall end on the last day of the twentieth (20th) year from the date written notice is given by the City to the Concessionaire that the landslide repair work is complete. That notice from the City shall be incorporated into and made a part of this Agreement.

SECTION 4. CITY'S RESPONSIBILITY

The City shall:

- A. allow usage of the following equipment and fixtures in the Clubhouse:

hot water heater (75 gallon)
Manitowoc ice maker
refrigeration compressor
3-compartment stainless steel bar sinks
2-door beer box with tower
Wolfe range with grill and 2 ovens
stainless hand sink
walk-in refrigerator-freezer

- B. maintain all slopes, natural areas (except as described in Section 14 of this Agreement), its underground utilities such as sewer main lines, trees greater than 9" diameter, and all items not covered by Section 14 of this Agreement.

SECTION 5. INDEMNIFICATION; LIMIT OF CITY LIABILITY

For the term of this Agreement, the City of Oakland, its City Council, and its officers, agents, or its employees shall not be answerable or accountable in any manner for any loss or damage that may occur by reason of the operations of the Concessionaire; or to any supplies or equipment used by him and his agents or employees, or for injury or damage to any person or persons, either employees, workmen, or the public; or for damage to property or loss of use thereof from any cause whatsoever arising out of the conduct of this concession. The Concessionaire shall defend, indemnify and hold harmless the City of Oakland, the City Council, the Parks and Recreation Advisory Commission, and City officers, agents and employees, from any suits, claims, or actions brought by any person or persons for or on account of any property damage, bodily injury, disease or illness sustained by or arising from the operation of this concession while this Agreement is in force.

The City of Oakland shall not be liable for any injury or damage that may result from acts of God, natural disaster (including but not limited to earthquake, fire and flood), storms and any leaks caused by same or from any damage done or occasioned by or from plumbing, water, or pipes, or other apparatus or electrical wiring out of repair. City shall be responsible for any injury or damage caused by any landslide or slope failure on the premises except as provided below.

The Concessionaire shall not be liable for any injury or damage that may result from any landslide or slope failure on the premises unless that landslide or slope failure is caused in whole or in part by any actions or act of Concessionaire.

SECTION 6. CONCESSIONAIRE'S INSURANCE

The Concessionaire agrees to secure, carry and maintain at all times during the term of this Agreement, at Concessionaire's sole expense all of the insurance required hereunder.

Public Liability Insurance. Comprehensive Bodily Injury and Property Damage Liability Insurance, for the joint and several protection and indemnity of City and Concessionaire, in the minimum amount of one million dollars (\$1,000,000) for injury to any one person, and in the minimum sum of five hundred thousand dollars (\$500,000) for property damage. The City

shall not be obligated to pay the premiums for this insurance.

Property Damage Insurance. Concessionaire shall also be solely responsible for providing property insurance on all furniture, fixtures and equipment in the premises that will be held in the City's name or Concessionaire's name.

Building Contractor's Insurance. Concessionaire shall impose upon all building contractors performing work on the premises the requirement concerning insurance and indemnification set forth in detail in Exhibit D, attached hereto and incorporated herein by reference. The insurance requirements set forth in Exhibit D may be amended by mutual agreement of the City and Concessionaire without formal amendment of this Agreement.

Workers' Compensation and Employer's Liability. Concessionaire shall provide Workers' Compensation and Employer's Liability Insurance to insure its employees as required by the Labor Code of the State of California and shall be shown on an insurance certificate.

Concessionaire shall, at the time of execution of this Agreement, and before its execution by the City, and every subsequent year covered by this Agreement, file with the City's Risk Manager, for approval, the original of such policy or policies or good and sufficient certificates thereof. Said certificate of insurance shall contain an endorsement providing that said insurance shall be primary as to any other insurance City may have and shall name the City, its Council, officers, agents and employees as additional insureds. Said insurance shall not be canceled or coverage reduced without the insurance carrier first giving thirty (30) days written notice to City. All policies shall provide that no cancellation or reduction of coverage shall become effective until at least thirty (30) days after receipt by the City of written notice thereof. If the life of this Agreement extends beyond the expiration date of any policy so filed, a new policy shall be obtained and a certificate therefor shall be filed with the City at least ten (10) days before expiration.

SECTION 7. MINIMUM RENT TO CITY

CONCESSIONAIRE agrees to pay CITY a minimum monthly rent in the amount of five thousand dollars (\$5,000) or the alternative monthly rent, whichever amount is greater except when waived or reduced as provided in Section 8 of this Agreement.

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The alternative monthly rent is sum of the amounts calculated in Paragraph A through Paragraph G below:

- A. Six percent (6%) of gross monthly revenues derived from the sale of food and non-alcoholic beverages.
- B. Ten percent (10%) of gross monthly revenues derived from the sale of alcoholic beverages.
- C. Two percent (2%) of gross monthly revenues derived from the sale of golf merchandise.
- D. Ten percent (10%) of gross monthly revenues derived from vending machine sales and/or commissions, and other miscellaneous sales.
- E. Ten percent (10%) of gross monthly revenues derived from golf instruction.
- F. Ten percent (10%) of gross monthly revenues derived from driving range operations.
- G. Ten percent (10%) of gross monthly revenues derived from green fees, practice putting fees and all other golf course user fees.

SECTION 8. WAIVER OR REDUCTION OF MINIMUM RENT

During the two (2) year construction period described in Section 16 of this Agreement, the City may, through the Director, at its sole discretion waive or reduce the minimum monthly rent. The percentage rents described in Section 7 of this Agreement shall apply during any month the City waives or reduces the minimum monthly rent.

During the construction period specified in Section 16 of this Agreement, the minimum monthly rent shall be three thousand dollars (\$3,000). Concessionaire agrees to implement reasonable mitigation measures to minimize loss of revenue during the construction period.

SECTION 9. PAYMENT TO THE CITY

Payment of monthly fees shall be due to the City at the close of business on the last operating day of each month during the term of this Agreement and shall be made by the Concessionaire to the City not later than the 10th day of the month immediately following. All monies due the City shall be paid by a business check, Cashier's Check or Money Order, or electronically transferred directly to the City of Oakland's account.

SECTION 10. REPORTS ACCOMPANYING PAYMENTS TO THE CITY

Together with the monthly payment due the City for each month of the year, during the terms of this concession, the Concessionaire shall submit a detailed day-by-day report of the preceding month's operation in such form, detail and number of copies as required by the Director.

The Concessionaire shall substantiate each monthly report with duplicate deposit slips and duplicate daily "Z tapes" from the cash register(s).

SECTION 11. ACCOUNTS, CASH REGISTER AND BANKING

Concessionaire shall keep and maintain a current and complete set of account books and records, in accordance with generally accepted accounting principles and methods. The records shall accurately reflect the business operation of the concession segments, reported on individually.

Concessionaire shall register all sales made at the clubhouse on cash registers with lock-in total features and shall retain all tape records with the Concessionaire's accounting records. There shall be only one cash register in operation at each sales location during the hours of operation of the concession. Any change in the number of cash registers must be approved by the Director.

The Concessionaire operating the concession described in these specifications, shall open a special commercial bank account for the concession, and shall deposit in this special account all receipts from sales and shall pay from said account for all purchases of supplies, merchandise, and services, and all payroll used in connection with the operation of concession. The concessionaire shall submit to the Office of Parks and Recreation with the monthly report duplicate deposit slips for all monies deposited to the account.

SECTION 12. FINANCIAL REVIEW OF RECORDS

The Concessionaire shall have an outside financial review of the concession's financial records performed annually during the term of this Agreement which shall consist of a balance sheet, revenue and expenditure report, depreciation summary and source of funds report. The cost of the financial review shall be the responsibility of the Concessionaire. The outside Certified Public Accountant must be acceptable to the City Auditor. The City reserves the right at all reasonable times to inspect Concessionaire's records.

The Concessionaire agrees to make available all daily records and instruments pertaining to the concession. The audit will be in accordance with generally accepted auditing standards.

Concessionaire agrees to supply the City, upon request, a copy of its Federal Income Tax return, as it pertains to this golf concession at the Montclair Golf Course, filed for each year during the term of this Agreement.

Concessionaire agrees to provide the City Auditor, upon request all financial and golf course maintenance records pertaining to the golf concession at Montclair Golf Course.

Concessionaire agrees to perform a complete financial review/audit of the Montclair Golf Course operation at its own expense for calendar year 1998, 2003, 2008 and 2013 and must submit said financial review/audit to the City within 30 days of its completion. The scope of said financial review/audit shall be that as provided by the City Auditor of the City of Oakland and is attached hereto as Exhibit F and incorporated herein by reference.

SECTION 13. BUSINESS TAX CERTIFICATE

The Concessionaire shall obtain and provide proof of a valid City business tax certificate. Said business tax certificate will be valid prior to and to the conclusion of this Agreement.

SECTION 14. CONCESSIONAIRE'S RESPONSIBILITIES

The Concessionaire shall:

Obtain and maintain for sale to the public an adequate stock of golf equipment and supplies including, but not limited to: golf bags, clubs, balls, tees, and golf goods. Average inventory level shall be maintained at a minimum wholesale value of \$50,000.00 All new stock kept for sale shall be of good quality of generally known brands and trademarks. No manufacturer's brand of golf equipment or supplies shall be handled on an exclusive agreement basis which excludes other manufacturers or brands.

Used or secondhand golf equipment and supplies may be stocked and sold or rented by the Concessionaire; provided, however, that the same is in good condition and free from all latent and patent defects that may constitute a danger when being used.

Obtain and keep available for rental use on the golf courses an adequate stock of golf clubs sufficient to meet normal demand. All rental equipment shall be of good quality, of generally known brands and trademarks and in operable condition. In addition, the Concessionaire may bring in additional rental equipment to meet the needs of golf tournament groups when the normally maintained stock is insufficient. The rental charges for these various articles of golf equipment shall be competitive and comparable to similar equipment rented at public driving ranges and pitch and putt golf courses in the Bay Area Counties.

Provide golf lessons and instructions at reasonable times and for a reasonable fee during the day to any member of the public who pays the prescribed instruction fee and who desires to receive the lessons or instructions. Any person employed by the Concessionaire to give such lessons or instructions shall be an experienced, skilled golf player, and capable of giving instructions and lessons.

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Charges for golf lessons and instructions shall be comparable and competitive with charges for like services at other public golf courses and golf ranges in Bay Area Counties.

Supervise, operate and manage the practice driving range in an efficient, orderly and businesslike manner. The Concessionaire at Concessionaire's own expense, shall furnish clubs and practice balls to persons who pay the prescribed driving range fee; shall furnish a sufficient number of tee-off mats; and shall provide, maintain, and operate the necessary golf ball retrieving equipment, and driving range netting. Charges for use of the driving range shall be comparable and competitive with charges for range use at other public golf ranges in the Bay Area Counties.

Concessionaire shall monitor the play and activities of all players and persons on the golf course. Concessionaire shall be responsible for supervision and management of play and shall employ practices and techniques that tend to maximize the number of rounds played on the golf course.

Concessionaire shall provide all golf scorecards, and shall obtain prior written approval by Director for all advertising contained therein.

Concessionaire shall maintain the Clubhouse, driving range, parking lot surface, miniature golf and pitch and putt course.

Landscape and ground maintenance shall be provided in accordance with the standards contained in Exhibit A attached hereto and incorporated herein by reference. Landscape and grounds maintenance shall include watering, irrigation system repair and maintenance, pest management, weeding, pruning, mowing, litter control, and any other activity necessary to keep the premises in a clean and attractive appearance. Concessionaire shall be responsible for fuel reduction and weed abatement along a 10 foot wide buffer zone in the natural areas adjacent to the entrance, driveway, and perimeter of the driving range and 9-hole golf course (except where slope stability and steepness render weed abatement impractical).

Concessionaire shall be responsible for maintaining all aspects of the Clubhouse and range deck including but not limited to structural maintenance, drainage, grease traps and domestic sewer lines, building foundations, plumbing, heating and air conditioning, electrical, telecommunications and roofing.

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Furnish at Concessionaire's sole expense, suitable furniture, fixtures, equipment, trade fixtures, carpeting, drapes, counters, merchandise display cases and racks that may be reasonably required for the efficient operation of the golf pro shop. Furniture, fixtures, equipment, carpeting, drapes, counters, merchandise display cases and racks shall be replaced at Concessionaire's sole expense when such replacement is necessary to maintain the premises in an attractive and business-like condition.

Maintain fixtures and equipment involved in the golf pro shop. The Concessionaire shall be responsible for the complete daily janitorial service to the entire Clubhouse and areas adjoining driving range and practice greens. The Concessionaire shall be responsible for maintaining the P.A. System, carpeting in the golf pro shop and when necessary replacing the pro shop carpeting.

Concessionaire shall maintain at least one business phone on the premises for contact with the City. All alarm systems shall be the Concessionaire's responsibility.

Furnish and install ready for use, at his own expense or as the result of rental agreement with purveyors with whom he negotiates on his own behalf, all the restaurant equipment which he deems needed other than that listed herein as being furnished by the City. Concessionaire will provide the furniture, fixtures and equipment listed in Exhibit G attached hereto and incorporated herein by reference.

Maintain in good working condition at all times, at Concessionaire's own expense, all food preparation equipment furnished to Concessionaire and by Concessionaire for the operation of the concession, and shall be responsible for and shall replace all such equipment which becomes missing or damaged beyond repair, or too unsanitary for use. Included shall be keeping all interior plumbing, refrigeration and electrical systems in good repair, including grease traps, exhaust flume and carpet.

Concessionaire will also be responsible for interior maintenance of the kitchen and restaurant room. Concessionaire will be responsible for upkeep, repair and replacement of fixtures, furniture, carpet, and all equipment in the food service areas assigned during the contract period.

Provide all utilities for the premises.

Provide, in a place to be designated, standard garbage receivers, and shall place therein all garbage and refuse and shall see that it is collected and/or disposed of at least once a week. Concessionaire shall pay all charges for the removal of garbage or refuse. No boxes, barrels, supplies or rubbish in any form shall be kept, piled or stored outside of the Clubhouse building unless approved by the City.

Concessionaire shall implement the service program described in Exhibit B attached hereto and incorporated herein by reference.

SECTION 15. ALTERATIONS TO PREMISES

The City shall have full and absolute control of the building and all its appurtenances during the term of this Agreement and shall have the right to make any changes and alterations therein, and in the grounds surrounding same.

No alterations, changes, or additions of any character shall be made on said premises by the Concessionaire without written consent of the City first having been secured and, if made, shall be at the sole cost and expense of the Concessionaire who shall agree to hold the City harmless therefor.

Alterations and additions so made to said premises, including all partitions and awnings, shall be made only with the prior approval of the City, and shall remain on said premises and become the property of the City upon the termination of this agreement.

Public pay phones shall not be installed anywhere on the premises without the prior written permission of the Director.

SECTION 16. CONSTRUCTION SCHEDULE

Concessionaire agrees to provide specified capital improvements to the Clubhouse, driving range, golf course and parking lots totalling one million forty eight thousand dollars (\$1,048,000) in accordance with the Schedule C attached hereto and incorporated herein by reference. The Concessionaire agrees to complete said capital improvements within 24 months of receiving a Notice to Proceed from City. City shall not issue Concessionaire a Notice to Proceed until City receives a Notice of Substantial Completion from the City's contractor for the landslide repair.

Concessionaire agrees to provide a bi-monthly construction schedule including estimated completion dates, tasks to be completed within those dates, sub-contractor names, projected cost of each task, and estimated percentage completed for all required capital improvements. The report must be submitted to the City by the 10th day of each month in which the report is due.

SECTION 17. CONSTRUCTION ACCOUNTING

Concessionaire agrees to provide a bi-monthly cash expenditure report for all required capital improvements. The report must consist of an itemized list of materials, labor, and equipment costs incurred by the concessionaire. Each report must be submitted to the City by the 10th day of each month in which the report is due.

SECTION 18. CONSTRUCTION BONDING

Prior to the commencement of construction as provided in Section 16, Concessionaire shall provide a surety bond in an amount equal to the estimated sum of the investment for the one year in question. Said bond shall remain in force during the period of construction. Concessionaire may satisfy this bond obligation by having the contractor performing the work in question provide a payment and performance bond as described below, or by providing comparable assurance to the satisfaction of the City that said funds are being held and available for the investment in question.

For the purposes of Section 18, Construction Bonding, only, "contract" shall mean any contract executed by the Concessionaire and any independent contractor(s) for the performance of work required in Section 16 of this Agreement.

All surety bonds, including bid, performance and payment bonds, must be furnished by a corporate surety admitted in the State of California or Lloyds of London, except as follows: if the contract award is \$5,000,000 or less, the surety bond may be furnished by a United States non-admitted corporate surety which appears on the Treasury List subject to the bonding limits which the Treasury List imposes on such surety; or, if the contract award is \$1,000,000 or less, the surety bond may be furnished by a United States non-admitted corporate surety which has an A.M. Best rating of A+ or if the contract award

is \$500,000 or less the surety bond may be furnished by a United States non-admitted corporate surety which as an A.M. Best rating of A-. Bonds from all other sureties shall be accompanied by all of the documents enumerated in Code of Civil Procedure Section 995.660 (a). The Concessionaire shall pay all bond premiums, costs and incidentals.

Each bond shall incorporate, by reference, the Agreement and be signed by the Concessionaire and Surety and the signature of the authorized agent of the Surety shall be notarized.

The Concessionaire shall provide two good and sufficient surety bonds. The "Payment Bond" (Material and Labor Bond) shall be for not less than fifty percent (50%) of the contract price to satisfy claims of material suppliers and of mechanics and laborers employed by it on the work. The bond shall be maintained by the Concessionaire in full force and effect until the work is accepted by the City, and until all claims for material and labor are paid, and shall otherwise comply with the Civil Code.

The "Faithful Performance Bond" shall be fifty percent* (50%) of the contract price to guarantee faithful performance of all work, within the time prescribed, in a manner satisfactory to the City, and that all materials and workmanship will be free from original or developed defects. The bond shall remain in effect until the end of all warranty or guarantee periods set forth in the contract documents.

Should any bond become insufficient, the Concessionaire shall renew the bond within 10 days after receiving notice from the City.

Should any Surety at any time be unsatisfactory to the City, notice will be given the Concessionaire to that effect. Changes in the Work or extensions of time, made pursuant to the Agreement, shall in no way release the Concessionaire or Surety from its obligations. Notice of such changes or extensions shall be waived by the Surety.

All work shall be performed in compliance with all applicable federal, state and local codes, code amendments, and ordinances such as but not limited to the following:

Uniform Building Code, State Building Code, Uniform Plumbing Code, Uniform Mechanical Code, Uniform Fire Code, Uniform Electrical Code.

Unless otherwise noted in the Agreement, the Uniform Building Code shall apply to the construction, alternation or repair of all City facilities, including bridges, pedestrian walkways, and pumping stations.

SECTION 19. PERFORMANCE BOND

The Concessionaire agrees to furnish a faithful performance bond in the sum of twenty thousand dollars (\$20,000) (or a cashier's check or cash deposit in an interest bearing trustee account, with interest payable to Concessionaire in lieu thereof), it being understood and agreed that such bond shall be in force at all times during this Agreement; and, if canceled, the Concessionaire shall immediately seek another required bond or this Agreement shall be subject to termination.

Within ten (10) days of execution of this Agreement, Concessionaire shall file surety bonds with the City in the amounts and for purposes below. Bonds issued by a surety who is listed in the latest version of U.S. Department of Treasury Circular 570, who is authorized to issue bonds in California, and whose bonding limitations shown in said circular is sufficient to provide bonds in the amount required by the Agreement shall be deemed to be approved unless specifically rejected by the City. Bonds from all other sureties shall be accompanied by all of the documents enumerated in Code of Civil Procedure 995.660(a). The Concessionaire shall pay all bond premiums, costs, and incidentals.

Each bond shall incorporate, by reference, this Agreement and be signed by both the Concessionaire and Surety and the signature of the authorized agent of the surety shall be notarized.

Should any bond become insufficient, the Concessionaire shall renew the bond with 10 days after receiving notice from the City.

Should any Surety at any time be unsatisfactory to the City, notice will be given to the Concessionaire to that effect.

SECTION 20. LIQUIDATED DAMAGES

Failure of the Concessionaire to complete the required capital improvements within the time allowed will result in damages being sustained by the City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. For each consecutive calendar day in excess of the time specified for the completion of required capital improvements, the Concessionaire shall pay the City the sum of \$250 adjusted for days which are excluded under Section 50 of this Agreement.

SECTION 21. MAINTENANCE RESERVE

Concessionaire shall within one year of execution date of this Agreement establish a maintenance reserve fund to be capitalized at not less than fifteen thousand dollars (\$15,000). Said maintenance reserve account shall be maintained throughout the term of this Agreement and shall be used to remedy any maintenance deficiency identified by the Montclair Golf Course Advisory Council.

SECTION 22. VIDEO SURVEILLANCE SYSTEM

Concessionaire agrees to purchase and install a video surveillance/security system to monitor all cash register operations. The system's specifications shall be reviewed and approved in writing by the City before being purchased. All video tapes shall be stored on the premises and stored for at least thirty (30) days after being made before being destroyed or recycled. Tapes shall be available to City staff upon request.

SECTION 23. MONTHLY INSPECTIONS

The Montclair Golf Course Advisory Council shall meet monthly at the Montclair Golf Course for the purpose of inspecting and evaluating the facility to determine if the performance standards are being met. Monthly evaluation reports shall be prepared by MGCAC and shall be submitted to the Director not later than 30 days after the month being evaluated.

SECTION 24. MONTCLAIR GOLF COURSE ADVISORY COUNCIL

Concessionaire and City agree to establish a Montclair Golf Course Advisory Council (MGCAC) that will consist of the Concessionaire, two (2) City representatives, a Montclair golf patron, and a citizen representing City Council District 4. The MGCAC shall meet for the purpose of developing facility inspection criteria and scheduling monthly inspections. The MGCAC shall prepare and submit to the Director an annual report summarizing MGCAC's inspections.

SECTION 25. RIGHTS OF CONCESSIONAIRE

The rights to be given to the Concessionaire will be contract rights only and in no respect shall constitute a granting of a leasehold interest in any of the real or personal property described in this contract.

SECTION 26. TRANSFER OF IMPROVEMENTS, FURNITURE, FIXTURES, EQUIPMENT AND MERCHANDISE

The Concessionaire further agrees that upon assignment or termination of this Agreement for whatever reason, the City will require that the incoming concessionaire purchase all merchandise, supplies, equipment, fixtures and improvements installed by the Concessionaire under the terms of this agreement at the then existing fair market value determined by agreement between the parties. If they are unable to so agree, then the existing Concessionaire shall appoint an appraiser, and the incoming concessionaire shall appoint an appraiser, to appraise the fair market value of the merchandise equipment to be purchased and sold.

If an agreement between the two parties still cannot be reached, the City shall appoint a third appraiser. The third appraiser's determination of the fair market value shall be final, conclusive and binding for all of the parties concerned. The Concessionaire agrees to sell all said merchandise, supplies, equipment, fixtures and improvements to the incoming concessionaire under the terms and conditions outlined above.

Should the termination result in the City taking over the concession, the City shall have the option to act as the "incoming" concessionaire as described above, or order the removal of all equipment and fixtures owned by the Concessionaire by a thirty day written notice.

SECTION 27. ASSIGNMENT

The Concessionaire shall not assign or have the power to assign this Agreement, in whole or part, or sublease the license or any right thereunder or license to use any facilities without the prior written consent of the City Council.

SECTION 28. INDEPENDENT CONTRACTOR

Concessionaire, in the performance of the terms and conditions of the contract, is an independent contractor and neither he, nor any of his employees, are agents or employees of the City of Oakland.

SECTION 29. EMPLOYEES

All personnel employed by the Concessionaire in conducting the operations of the concession shall be vocationally qualified to perform the duties assigned to them and be of good moral character. The Concessionaire will make good faith efforts to hire residents of the City of Oakland. All employees shall dress suitably, cleanly and neatly, preferably in uniforms standard to the trade. Concessionaire agrees to suspend or terminate any employee who is causing written complaints due to the character and quality of service rendered to the public at this golf course.

SECTION 30. EQUAL EMPLOYMENT PRACTICES

Concessionaire shall not discriminate or permit discrimination against any person or group of persons in any manner prohibited by Federal, State or local laws.

During the performance of this Agreement, the Concessionaire agrees as follows:

- A. The Concessionaire and Concessionaire's Subconsultants will not discriminate against any employee or applicant for employment because of race, color, creed, sex, sexual orientation, national origin, age, disability, Acquired-Immune Deficiency Syndrome (AIDS), AIDS-Related Complex (ARC) or any other arbitrary basis. The Concessionaire and Concessionaire's Subconsultants will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, sex, sexual orientation, national origin, age, disability, Acquired-Immune Deficiency Syndrome (AIDS), AIDS-Related Complex (ARC) or any other arbitrary basis. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other form of compensation; and selection for training, including apprenticeship. The Concessionaire agrees to post, in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- B. The Concessionaire and Concessionaire's Subconsultants will, in all solicitations or advertisements for employees placed by or on behalf of the Concessionaire, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, sex, sexual orientation, national origin, age, disability, Acquired-Immune Deficiency Syndrome (AIDS), AIDS-Related Complex (ARC) or any other arbitrary basis.
- C. If applicable, the Concessionaire will send to each labor union or representative of workers with whom Concessionaire has a collective bargaining Agreement or contract or understanding, a notice advising the labor union or workers' representative of the Concessionaire's commitments under this nondiscrimination clause and shall post copies of the notice, in conspicuous places, available to employees and applicants for employment.
- D. In the event of the Concessionaire's or Concessionaire's Subconsultant's noncompliance with the nondiscrimination clause of this Agreement, this Agreement may be rescinded or modified.

SECTION 31. PROHIBITED ACTIVITIES

The Concessionaire shall not engage in any of the following activities.

- A. Conduct any business activity on the premises which is not directly related to the concession.
- B. Permit a third person(s) to display or vend any goods, without the prior written permission of the Director.
- C. Install or permit the installation or use of any vending machine, "Juke" box, video game, lottery machine or coin operated amusement device of any kind without the prior written permission of the Director.
- D. Commit or allow others to commit any damage, or injury on the premises.
- E. Make changes, modifications or alterations to the premises without the prior written permission of the Director.
- F. There shall be no religious worship, instruction, or proselytization as part of, or in connection with the performance of the Agreement.
- H. Political activities, including but not limited to sponsoring or conducting candidate's meetings, or engaging in any publicity or propaganda activities designed to support or defeat legislation pending before federal, state or local government.

SECTION 32. RE-ENTRY IN CONTINGENCY

Should the concession premises be wholly or partially destroyed by fire or unusual action of the elements, the City may, at its option and without demand or notice of any kind whatsoever, re-enter and take possession of said premises and remove all persons therefrom in order to preserve and protect the public health and safety, and/or to repair or reconstruct said premises, re-deliver possession thereof to the Concessionaire, and continue this agreement in effect, in which event such repairs or reconstruction shall be done with reasonable diligence. During such time as the Concessionaire is deprived of the use of the whole or any part of such premises by reason of such injury, and the repair thereof, the City shall not be liable for any incidental or consequential

damages, including but not limited to loss of business, lost revenues, lost profits or the like.

Should the City choose not to exercise its rights set forth above, Concessionaire shall have the right to repair or reconstruct said premises. Concessionaire, at its option, may obtain fire insurance with extended coverage endorsements and vandalism and malicious mischief endorsements, or all risks insurance, in an amount equal to one hundred percent of full replacement value, covering Concessionaire's personal property, improvements, alterations and fixtures located on the premises. City agrees that Concessionaire, at Concessionaire's option, may use the proceeds from any such policy or policies, or from any other source, for the replacement and/or restoration of Concessionaire's improvements, alterations, personal property, and/or fixtures in the premises.

In case of destruction of premises, or damage to other parts of the facilities which prevents Concessionaire from carrying out the business of the concession, there shall be an abatement or reduction of monthly rent between the date of destruction and the date City and Concessionaire substantially completes their reconstruction obligations, based upon the extent to which the destruction interferes with Concessionaire's operation of the concession.

If neither the City nor Concessionaire exercise their options set forth above, the City may at its option terminate this Agreement upon thirty (30) day notice to Concessionaire.

SECTION 33. HOURS OF OPERATION

The Director shall specify the hours and days of which the golf driving range, golf practice area and miniature golf course shall be open to the public. It is understood that the hours of operation shall be at times comparable to other public golf courses located in Bay Area Counties. No changes to any established hours of operation shall be permitted without the prior written approval of Director.

The Concessionaire shall operate the food and beverage concession during the terms of the contract at all hours when the driving range is open to the general public. The normal hours of the food and beverage concession operation shall be:

Montclair Golf Concession Agreement
June 9, 1997

Restaurant/bar:	Weekdays	11:00 a.m. to 2:30 p.m. 5:00 p.m. to 9:00 p.m.
	Weekends	8:00 a.m. to 2:30 p.m. 5:00 p.m. to 9:00 p.m.
Pro Shop	Summer	9:00 a.m. to 11:00 p.m.
	Winter	10:00 a.m. to 10:00 p.m.

The City reserves the right to establish different hours or amend the required hours of operation at any time it deems the same necessary to the public interest. Concessionaire may modify the above hours of operation on rainy days.

SECTION 34. ITEMS SOLD AND PRICING

All items sold, and the prices charged by the Concessionaire must be approved by the Director. Prior to the commencement of business, the Concessionaire shall submit to the Director a complete list of foods, beverages, services and merchandise products, that are proposed for sale, together with the prices proposed to be charged. The Director shall have the right to disapprove any item or price. All prices charged shall be comparable and competitive with similar articles and products sold at public golf courses in all Bay Area counties.

The Director will review products offered for sale at the premises, and their prices, once each year during the life of the contract. The Concessionaire shall initiate the request for the first review and each successive review will take place at twelve month increments.

The Concessionaire shall notify the Director, in writing, of any substantial changes to the list of items for sale or their prices not including sale and/or promotional items. All changes must be approved by the Director prior to their taking effect.

Concessionaire agrees to defend, indemnify and hold City harmless from any claim, penalties, fines or litigation arising from the City authorizing and agreeing to the price schedule and price charges during the term of the concession contract.

All foods and beverages sold or kept for sale by the Concessionaire shall be first class in quality, wholesome and pure, and shall conform to all federal, state, and municipal food and other laws, regulations, ordinances, or resolutions, applicable to this type of business operation.

No imitation, adulterated, misbranded, or impure articles shall be sold or kept for sale by the Concessionaire, and all merchandise kept on hand by said Concessionaire shall be stored and handled with due regard for standard practices of public health food handling requirements and sanitation.

SECTION 35. ADVERTISING

All advertising of the concession, desired by the Concessionaire shall be done at the Concessionaire's expense and with the prior written approval of the Director.

Concessionaire shall not display any advertising matter or signs except as may be permitted by the Director.

SECTION 36. QUALITY OF OPERATIONS

Concessionaire shall, at all times, operate the concession for the City in a businesslike manner and render to the using public, good quality products with efficient and courteous service.

The Concessionaire shall conduct continuous customer satisfaction surveys through the use of customer survey forms and a suggestion box both located in a conspicuous location.

SECTION 37. COMPLIANCE WITH LAW; RIGHT TO ENTER

The Concessionaire shall comply with all Federal, State and local laws and ordinances. Access for inspection purposes shall be granted to any duly authorized peace officer, State or County officer and authorized representatives of the Director. The City reserves the right to enter upon the premises at any reasonable time to inspect the operation of the concession during business hours.

SECTION 38. PERMITS AND LICENSES

Concessionaire shall obtain any and all permits or licenses required to operate the concession. Included among such licenses are the City's business license, Alameda County Environmental Health Services permit and Alcoholic Beverages Control license.

Concessionaire shall obtain any and all permits and licenses required to construct the capital improvements required by this Agreement, including but not limited to zoning permits, building permits, design review permits and Certificates of Occupancy.

Fees for all licenses and permits are the responsibility of the Concessionaire.

SECTION 39. DEFAULT

The Concessionaire will be considered in default in the following events:

- A. The Concessionaire is not actively engaged in the on-site management of the concession.
- B. The Concessionaire fails to deliver timely payment of the monies due the City.
- C. The Concessionaire materially breaches any of the terms and conditions contained in this Agreement.
- D. In the event of default by the Concessionaire, the City shall provide written notice of said default to the Concessionaire by first class mail, postage prepaid. The Concessionaire shall promptly correct said default(s) within thirty days from posting of such notice of default in the U.S. Mail. Failure by the Concessionaire to promptly correct said default(s) shall result in termination of this Agreement

SECTION 40. AUTOMATIC TERMINATION

The rights and privileges given to the Concessionaire shall be automatically terminated, without notice, for any of the following reasons:

- A. Any action taken or suffered by the Concessionaire under any insolvency or bankruptcy act, including the appointment of a receiver to take possession of all or substantially all of the assets of the Concessionaire.
- B. Any general assignment by Concessionaire for the benefit of creditors.

- C. The revocation or suspension of any permit that Concessionaire is required to obtain under this contract resulting from this specification.
- D. Upon dissolution of Corporation.
- E. Failure of the City to terminate this contract for any of the reasons stated above, or to insist upon strict performance of any of the terms of the contract, shall not constitute a waiver or relinquishment of any part of the contract. The contract shall be and remain in full force and effect.

SECTION 41. CORRECTION OF ANY DEFICIENCY

In the event that the Director finds that services rendered or products sold by the Concessionaire are substandard or that any other provisions of the concession privilege are not being adequately performed or complied with, the Concessionaire upon being advised of the nonperformance or noncompliance shall promptly correct any such violation, deficiency or omission.

SECTION 42. SURRENDER OF PREMISES

Upon termination of the rights and privileges given to the Concessionaire for any cause and for any reason, the Concessionaire shall immediately and forthwith surrender possession of the premises including the improvements in Section 16 of this Agreement to the City in as good condition as when received: reasonable wear and tear and damage caused by weather conditions and damage caused by fire that was not proximately caused by the negligence of the Concessionaire, his agents and employees excepted.

SECTION 43. LEGAL COSTS

In the event that the City is required to commence legal proceedings to regain possession of the premises subject to this Agreement or to obtain judgment for any unpaid permit fees or damages caused to the property, real or personal, that is part of or located within the concession area, then, and in that event, Concessionaire agrees that as part of any judgment awarded to the City there shall be included all costs of suit and reasonable attorney's fees.

SECTION 44. GOVERNING LAW

This Agreement shall be governed by the laws of the State of California.

SECTION 45. HOLDOVER

Should the Concessionaire holdover and continue in possession of the concession privileges after the end of the period of this Agreement, with the expressed or implied consent of the City, such holding shall be construed as a continuation of the concession from month to month at the charge or rental and upon the same terms and conditions as herein provided for the immediate preceding contract period.

SECTION 46. NOTICES AND COMMUNICATIONS

All notices and communications between the City and the Concessionaire shall be given to the parties personally. The City will address all correspondence to the Concessionaire at the concession premises.

The Concessionaire will address correspondence to the Director of Parks, Recreation and Cultural Services, City of Oakland, 1520 Lakeside Drive, Oakland, California 94612.

The City will address correspondence to Montclair Golf Enterprises, Inc., 2477 Monterey Boulevard, Oakland, California, 94611

SECTION 47. CONFLICT OF INTEREST

The following protections against conflict of interest will be upheld:

- A. Concessionaire certifies that no member of, or delegate to, the Congress of the United States shall be permitted to share or take part in this Agreement or in any benefit arising therefrom.

- B. Concessionaire certifies that no member, officer, or employee of the City or its designees or agents and no other public official of the City who exercises any functions or responsibilities with respect to the programs or projects covered by this Agreement, shall have any interest, direct or indirect in this Agreement, or in its proceeds during his/her tenure or for one year thereafter.
- C. Concessionaire certifies that no one who has any financial interest in this Agreement or receives compensation for services from Concessionaire is related by blood or marriage within the third degree to the Mayor or any one or more of the members of the City Council, the City, City Manager, or the head of the department to which these services are to be provided pursuant to this Agreement.
- D. Concessionaire shall incorporate, or cause to be incorporated, in all subagreements for work to be performed under this agreement a provision prohibiting such interests pursuant to the purposes of this section.

SECTION 48. MODIFICATION

This Agreement may be modified by written Agreement of all the parties.

SECTION 49. REASONABLE CONSENT

Except as limited elsewhere in this Agreement, wherever in this Agreement the City is required to give its consent or approval to any action on the part of the Concessionaire, such consent or approval shall not be unreasonably withheld.

SECTION 50. FORCE MAJEURE

In the event that Concessionaire or the City is delayed, directly or indirectly, from the performance of any act or thing required under the terms hereof by acts of God, accidents, fire, floods, inclement weather, governmental action, restrictions, priorities or allocations of any kind and all kinds, strikes or labor difficulties of any and all kinds, shortages of or delay in the delivery of material, acts

of war, riot and civil commotion, or by any similar cause reasonably beyond the control of the Concessionaire or the City, as the case may be, such failure (except for the payment of rent or other sums required by this Agreement) shall not be deemed to be a breach of this Agreement or a violation of any such covenants and the time within which Concessionaire or the City must perform any said act shall be extended by a period of time equal to the period of delay arising from any of said causes.

SECTION 51. TOXIC MATERIALS

For purposes of this Agreement, "toxic materials" shall include:

- A. substances that are toxic, corrosive, inflammable or ignitable.
- B. petroleum products, crude oil (or any fraction thereof) and their derivatives.
- C. explosives, asbestos, radioactive materials, hazardous wastes, toxic substances or related hazardous materials.
- D. substances defined by applicable local, State or federal law as "hazardous substances," "hazardous materials," "reproductive toxins," or "toxic substances."

Concessionaire shall not cause or permit any toxic materials to be brought upon, remain, kept or used in or about the Montclair Golf Course by Concessionaire or Concessionaire's contractors. The above prohibition does not apply to golf course or landscape maintenance equipment and the standard contents therein, used in the ordinary course of Concessionaire's permitted uses so long as such supplies, substances or standard contents therein are stored, used and disposed of in accordance with all other legal requirements.

Concessionaire shall comply, at its sole cost, with all federal, state and local laws related to the receiving, handling, use, storage, accumulation, transportation, generation, spillage, migration, discharge, release and disposal of any toxic material. It shall be the sole obligation of the Concessionaire to obtain any permits and approvals required pursuant to the law.

If Concessionaire or Concessionaire's contractor as a result of said parties' presence during the term of this Agreement cause contamination or deterioration of water or soil or other portions of the Montclair Golf Course on account of toxic materials, then Concessionaire at its sole cost shall promptly take any and all action necessary to clean up such contamination or remediate such deterioration and in any manner as required by law. Concessionaire shall indemnify and hold harmless City for any damage or injury resulting from the acts or omissions of Concessionaire or Concessionaire's contractor which cause the contamination or deterioration as described above.

Concessionaire shall not be responsible for any toxic materials that existed on the Montclair Golf Course prior to Concessionaire's taking possession except as follows:

- A. Concessionaire shall be responsible for any such toxic materials on the Montclair Golf Course prior to Concessionaire's taking possession if such toxic materials were present on the Montclair Golf Course due to the negligent or intentional acts or omissions of Concessionaire.

Concessionaire shall immediately report any spillage, discharge, release and disposal of toxic materials to local, state and federal agencies and shall immediately provide City with telephonic notice. Further, Concessionaire shall deliver to City each and every notice or order received from governmental agencies concerning toxic materials and the possession, use and/or disposal thereof promptly upon receipt of each such notice or order.

The following substances are prohibited from being brought into the premises to the extent they are included as Exempt Toxic Materials because they are janitorial or office supplies, substances used in cooling systems (e.g. refrigerators and air conditioning units) or automobiles and the standard contents therein.

Arsines	Etching solutions
Asbestos	Fluorocarbons
Freon	Chlorinated hydrocarbons

Dioxins, including dioxin precursors and intermediates. Anything contained in the California List of Extremely Hazardous Chemicals.

Montclair Golf Concession Agreement
June 9, 1997

IN WITNESS WHEREOF, the City Manager of the City of Oakland thereunto duly authorized by Resolution No. 73498 C.M.S. of the City Council, has caused the name of the City of Oakland to be hereto subscribed, and Concessionaire has caused its name to be affixed hereto all in triplicate the day and year first above written.

Montclair Golf Enterprises, Inc.

CITY OF OAKLAND,
a municipal corporation

By: *Phillip Lee*
President

By: *Shirley L. Hatcher*
Director, Life Enrichment
Agency

By: *MG*
Director

APPROVED AS TO FORM AND LEGALITY

By: *Walter Styer*
Office of the City Attorney

Exhibit A

Montclair Golf Course Maintenance Plan

Putting Greens:

Mowing : Twice per week during spring, and fall. Once per week during winter. During summer mowing as needed due to increasing growth. More frequently as needed according to growth rate of greens and good turfgrass maintenance practices. Greens will be cut at 5/32" to 3/16" and may be increased due to heat.

Changing cups, flags, poles: Cup position and pin position will be changed when greens are mowed. Cups, flags, and poles will be replaced immediately if worn conditions or damage is observed unless supply conditions are unfavorable.

Fertilization: Greens will be fertilized in order to maintain the color, growth, and life of the greens. Root or foliar fertilization processes will be used to apply fertilizer.

Aerification and Topdressing: Aerification will be done at least once per year. Topdressing will be used to fill holes after major aerifications. Light topdressing may be used to create a smoother putting surface.

Vertical Mowing: Vertical Mowing will be done as necessary to relieve potentially poor putting conditions due to excessive thatch or horizontal turfgrass growth. Prior to some seeding and light topdressing procedures.

Tee Maintenance:

Mats: Mat surface to be changed when worn.

Trash: There will be a garbage can at each hole which will be disposed by the maintenance crew throughout the day as needed.

Fairway and Rough Maintenance

Mowing: During periods of rapid growth, fairways will be mowed two times per week. During slower growing periods, fairways will be mowed once per week. Mowing may increase or decrease accordingly to good turfgrass maintenance. Fairways will be cut at 5/8" to 3/4" depending on seasonal conditions. Rough will be mowed once per week depending on natural conditions. Rough will be cut at 1 1/2 inches.

Chemical usage: Integrated pest management approach will be used. Chemical usage to be determined by condition that warrants the use of fungicide, post-emergent herbicide, pre-emergent herbicide, insecticide or rodenticide by a licensed pesticide applicator.

Irrigation:

Maintenance: Maintain system, including valves, manual controllers, sprinkler heads in good repair.

Frequency: Irrigate as required to maintain adequate moisture for growth and appearance. Irrigate during periods of lowest wind velocity and golf activity.

System check: System should be inspected daily by staff. Repairs and adjustments will occur immediately after problem is found. Problems should be fixed within 24 hours unless circumstances are unforeseen.

Sand Bunkers:

Maintenance: Keep sand at 4" depth in middle, and 2" depth on sides. Bunkers will be kept clean of weeds. Rake trap daily. Sand trap will be filled with fresh sand to maintain depth and good playing condition.

Sand trap rakes: One rake per trap will be provided. Replacement rakes will be provided within 24 hours unless unforeseeable conditions exist.

Grass Bunkers:

Maintenance: Grass Bunkers will be maintained at playing length by weed eaters or specially set mowers.

Driving Range:

Grounds maintenance: Will be kept clean of trash, litter, and debris. Four trash cans on each level to will be emptied at a minimum of once daily. Range grounds will be monitored by range ball pickers, range ball washers, staff or golf professionals, who will be able to see problematic conditions. Grounds will be maintained by maintenance staff.

Range benches: Will be repainted by every five years

Mat maintenance: Worn mats will be replaced immediately unless supply conditions are unfavorable.

Tee Maintenance: Every mat will have a tee, unless theft occurs. The Pro Shop will be fully stocked with tees to replace worn tees.

Ball Maintenance: Balls will be replaced two times per year with premium name brand quality balls. Balls will be washed throughout the day as needed.

Range Ball Collection: Balls will be collected throughout the day as needed, unless weather conditions do not permit collecting.

Turf Maintenance: same as rough

Target greens: same as fairways

Yardage Markers: To be replaced every two years or as needed.

Greens Flags: Replace when discolored or frayed

Clubhouse and Entry Area:

Pro Shop: The Pro Shop will be kept in a neat and attractive manner. The shop will be vacuumed and dusted daily. Litter is to be picked up immediately by staff.

Restrooms: Restrooms will be maintained by maintenance staff at a minimum of once daily. Management will inspect bathrooms two times daily to make sure bathrooms are clean. Any bathroom repairs will occur immediately and will be fixed as soon as possible.

Fences: All decorative fencing will be made so any one part will be able to be replaced within 72 hours unless supply conditions are unfavorable.

General Maintenance: Litter is to be picked up on site. There will be four trash cans that will be emptied minimally once per day as needed. Entry way will be swept or blown daily. Planters will be free of debris such as weeds, cans, bottles, and paper. All planters will be inspected daily and maintained as needed. Plants will be trimmed as needed, and inspected daily. Landscape shrubbery will be inspected once per month.

Paint and interior decor: Buildings will be painted every five years. Building interiors will be painted every seven years.

Window Maintenance: Windows will be cleaned minimally once per week by an outside contractor.

Parking Lots:

Loose trash and garbage cans: There will be three trash cans in the parking lot. Trash cans will be inspected throughout the day and emptied daily. Weed removal will be performed regularly during the growing season.

Sweeping: Parking lots will be swept or blown daily. Greater frequency will occur with greater need.

Abandoned Vehicles: Vehicles parked without management's consent for greater than 48 hours will be towed.

Garage and Storage Areas

Equipment: All maintenance equipment will be stored in storage areas. Equipment will be cleaned after usage prior to storage.

Restaurant and Bar:

Bar maintenance: We will clean up trash on floor immediately as observed. We will clean tables, seats, bar stools, and bar throughout the day. The soda gun will be cleaned daily for cleanliness. The draft beer tap will be cleaned daily to maintain pressure, and cleanliness.

Interior eating area maintenance: Restaurant tables will be cleaned throughout the day. Seats will be cleaned throughout the day.

Kitchen Maintenance: Floors will be mopped and cleaned daily. Sinks will also be cleaned daily. Kitchen fryer oil will be changed daily or more often depending on level of business and what kinds of foods will be ordered. The kitchen area will be steam cleaned as needed. The grill will be cleaned a minimum of once per day. The grease trap in the hood will be cleaned as needed depending on the level of business and what kinds of foods are ordered by customers. Quarterly, the outside of the exhaust fan will be cleaned. The filter in the hood will be cleaned once per week or more depending on the foods demanded by customers, and level of business. A fire extinguisher will be placed in the Restaurant, and another fire extinguisher in the kitchen. An Ansul system will be in the kitchen to deal with fire in the cooking area. All ovens will be cleaned daily. All stoves and grills will be cleaned daily. All waste cooking oils will be put in an appropriate container, and picked up by a local professional cooking oil waste hauler.

Other Maintenance Issues

Vandalism and Graffiti: Vandalism and Graffiti to be removed within 24 hours unless conditions warrant greater time.

Water: Neptune meter to be calibrated by outside contractor annually. All EBMUD paperwork to be done semi-annually.

Chemical storage: All golf course chemicals will be contained accordingly to Cal OSHA regulations. All Chemical storage and usage will be done in order to minimize use and storage of chemicals on our premises. Chemicals will not be disposed of at Montclair Golf.

Weed cutting shall be performed along a 10' wide swath along the main driveway from the entrance at Monterey Boulevard to the parking lot.

EXHIBIT B

Montclair Golf Course Concession Agreement

Junior Program:

In the interest of helping youth who have historically not been able to afford the opportunity to play golf, we will offer a free junior golf program of two classes per week. We will teach a total of 24 or twelve children per class. Furthermore, we plan to help children to play golf by helping local schools during their golf seasons to either use the facility for free or for a substantially discounted rate. We will also work with the Department of Parks and Recreation in order to make the classes available and affordable.

Senior program:

Once every week during a specific time period of the day we will offer either special senior demo days, golf clinics, or substantially discounted rates on fees.

Ladies Day:

Once a month we will have a ladies day. On Ladies day there may be special golf clinics, demo days, or substantially discounted rates on fees during a specific time period.

Demo Day:

At a minimum of twice per year in an effort to promote the facility and bring people to the facility from different areas, we will have a demo day where golf manufacturers, and vendors will be allowed to try the latest in golf technology. Furthermore, specials, and sales will occur in periods surrounding the demo day.

Other public programs:

We will continue to work with other organizations, and schools in providing discounted rates or free rates when such an opportunity is available.

Ladies day, and our junior program will occur weekly. However, sand and putting lessons will not likely be done until improvements are finished. The senior program will occur after the improvements due to a need for additional stalls and putting and sand areas. Demo Days will be done at a minimum of twice per year.

EXHIBIT C

MASTER SCHEDULE MONTCLAIR GOLF COURSE IMPROVEMENTS

Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1. Raise Net																								
2. Install 30' side net																								
3. 5 new stalls																								
4. Repair driving range structure																								
5. Awning																								
6. Entry area																								
7. Build 1,200 sq. ft.																								
8. Convert ballrooms																								
9. Repair roof																								
10. Putting green																								
11. 9 hole golf course improvements																								
12. Driving range canyon																								

Schedule subject to readjustment depending on when project is allowed to begin after landslide repairs.

PROJECT: MONTCLAIR GOLF CLUB
 LOCATION: OAKLAND, CALIFORNIA
 CLIENT: JOHN MALICK
 DESCRIPTION: CLUB HOUSE AND GOLF COURSE IMPROVEMENTS

EXHIBIT C

SCG NO: 97-051A
 PREPARED BY: L. SAYLOR
 CHECKED BY: L. TRUONG
 DATE: 4/30/97

OPINION OF COST

NO. BLDGS: ONE
 BASEMENT: NONE
 TYPE CONSTRUCTION: TYPE V
 SPECIAL FDN: NONE

GSF: 5,066
 HR. RTG: NR

		ITEM	SPRINKLERED: YES			
ITEM #	DESCRIPTION	NO	QUANTITY	UNIT	UNIT PRICE	TOTAL
1.10	DEMOLITION				8.94	45,300
1.11	ASBESTOS ABATEMENT					NONE
1.25	SITE, SERVICE, GENERAL & PAVING					NONE
1.26	SITE UTILITIES				11.65	59,000
1.27	GENERAL SITE				41.81	211,800
1.28	OFF SITE					NONE
1.29	SITE MISC.				34.84	175,500
2.12	FOUNDATIONS, 130 OFF-SITE SPECIAL					
2.13	FOUNDATIONS				1.42	7,185
2.17	SLAB ON GRADE, FILL SLAB, LEVEL				1.26	6,375
3.01	STRUCTURE, VERTICAL					NONE
3.02	STRUCTURE, HORIZONTAL				2.70	13,688
3.03	FIREPROOFING					NONE
3.06	SHEARWALLS					NONE
4.11	EXT. WALLS & PARAPETS, INSUL. EXT. WALL				6.81	34,500
4.12	FENESTRATION				2.39	15,168
4.13	DOORS - EXTERIOR				1.30	6,600
4.21	ROOF, INSULATION & S.M. REMOVE & REPLACE				5.77	29,241
4.31	MISC. IRON, S.M., SOUND INSULATION				1.25	6,330
4.32	SKYLIGHTS					NONE
4.36	PAINTING				2.00	10,132
5.11	WALLS, INTERIOR				2.57	13,020
5.12	DOORS - INTERIOR				0.89	4,500
5.21	CEILING FINISHES, PATCH & ACOUSTIC				3.40	17,224
5.22	FLOOR FINISHES, CARPET & RESILIENT				3.54	18,454
5.31	TILE				0.44	2,250
5.32	OTHER SPECIAL FINISHES, BASE				1.12	5,670
5.40	INTERIORS					NONE
5.41	CABINETS AND TOPS, FURNITURE				2.57	13,000
6.10	GENERAL BUILDING SPECIALTIES				1.49	7,566
7.00	EQUIPMENT					NONE
8.00	SPECIAL CONSTRUCTION					NONE
9.00	CONVEYING					NONE
10.11	PLUMBING				3.16	16,000
10.15	HVAC				3.24	16,419
10.17	FIRE PROTECTION					NONE
11.00	ELECTRICAL, GENERAL				14.06	71,219
11.02	ELECTRICAL SPECIAL SYSTEMS					NONE
SUBTOTAL					159,137	808,139
PRORATES - 30%					47.74	241,342
GENERAL CONDITIONS 10%						
CONTINGENCY 10%						
OH, PROFIT AND BONDS 10%						
CONSTRUCTION TOTAL					206,877	1,049,481

PROJECT MONTCLAIR GOLF CLUB
 LOCATION OAKLAND, CALIFORNIA
 CLIENT JOHN MALICK

EXHIBIT C

SCG NO: 97-051A
 PREPARED BY: L. SAYLOR
 CHECKED BY: L. TRUONG
 DATE: 4/30/97

DESCRIPTION CLUB HOUSE AND GOLF COURSE IMPROVEMENTS

OPINION OF COST

NO. BLDGS: ONE
 BASEMENT: NONE
 TYPE CONSTRUCTION: TYPE V
 SPECIAL FDN: NONE

GSF: 5,068
 HR. RTG: NR

ITEM #	DESCRIPTION	ITEM NO	QUANTITY	UNIT	UNIT PRICE	TOTAL
1.10	DEMOLITION					
	EXISTING CANOPY		1	LS	7,500.00	7,500
	EXISTING STRUCTURES, PARTIAL		1	LS	18,000.00	18,000
	MOVE STORAGE FACILITIES		1	LS	5,000.00	5,000
	REMOVE TREES		8	EA	600.00	4,800
	DECK WORK AND PAVING		1	LS	10,000.00	10,000
	TOTAL 1.10					45,300
1.11	ASBESTOS ABATEMENT					
1.25	SITE WORK					
	GENERAL WORK AT GREENS, BUNKERS					
	TOTAL 1.25					
1.26	SITE UTILITIES					
	NEW LIGHTING, ELECTROLIERS		6	EA	4,000.00	24,000
	REMODEL DECK, MATS, PAINT		1	LS	35,000.00	35,000
	TOTAL 1.26					59,000
1.27	GENERAL SITE					
	FIVE NEW DRIVING STALLS, DOUBLE		10	EA	2,500.00	25,000
	NEW CANVAS AWNING		1,400	SF	24.00	33,600
	NEW PARKING		6,800	SF	4.00	27,200
	NEW NET LINE ON POLES		24,000	SF	3.25	78,000
	SATALLITE PAVING		12,000	SF	4.00	48,000
	TOTAL 1.27					211,800
1.28	OFF SITE					
	TOTAL 1.28					
1.29	SITE MISC.					
	NEW TARGET GREENS W/ IRRIGATION		15,000	SF	3.30	49,500
	NEW PUTTING GREEN		4,000	SF	4.50	18,000
	NEW BUNKERS AND GREENS		24,000	SF	4.50	108,000
	TOTAL 1.29					175,500
2.12	FOUNDATIONS, 130 OFF SITE SPECIAL					
	TOTAL 2.12					

PROJECT MONTCLAIR GOLF CLUB
LOCATION OAKLAND, CALIFORNIA
CLIENT JOHN MALICK
DESCRIPTION CLUB HOUSE AND GOLF COURSE IMPROVEMENTS

EXHIBIT C

SCG NO: 97-051A
PREPARED BY: L. SAYLOR
CHECKED BY: L. TRUONG
DATE: 4/30/97

OPINION OF COST

NO. BLDGS: ONE
BASEMENT: NONE
TYPE CONSTRUCTION: TYPE V
SPECIAL FDN: NONE

GSF: 5,066
HR. RTG: NR

ITEM #	DESCRIPTION	ITEM NO	SPRINKLERED: YES		UNIT PRICE	TOTAL
			QUANTITY	UNIT		
2.13	FOUNDATIONS					
	BUILDING		18.6	CY	225.00	4,185
	DECK		12	CY	250.00	3,000
TOTAL 2.13						7,185
2.17	SLAB ON GRADE, FILL SLAB, LEVEL					
	5" REINFORCED ON CRUSHED ROCK		1,500	SF	4.25	6,375
TOTAL 2.17						6,375
3.01	STRUCTURAL VERTICAL					
TOTAL 3.01						
3.02	STRUCTURAL HORIZONTAL					
	STRUCTURAL HORIZONTAL		1,825	SF	7.50	13,688
TOTAL 3.02						13,688
3.03	FIREPROOFING					
TOTAL 3.03						
3.06	SHEARWALLS, BELOW GRADE					
TOTAL 3.06						
4.11	EXT. WALLS & PARAPETS, INSUL. EXT. WALL					
	T-111, STUDS, POSTS, GWB, PAINT, BASE		2,760	SF	12.50	34,500
TOTAL 4.11						34,500
4.12	FENESTRATION					
	SASH, DUAL GLAZED		368	SF	36.00	13,248
	STOREFRONT, TRANSOM AND SIDE LIGHTS		64	SF	30.00	1,920
TOTAL 4.12						15,168
4.13	EXTERIOR DOORS					
	DELIVERY DOORS		1	PR	2,100.00	2,100
	STOREFRONT DOORS		1	PR	2,300.00	2,300
	DOUBLE DOORS		1	PR	1,700.00	1,700
TOTAL 4.13						6,600

PROJECT: MONTCLAIR GOLF CLUB
 LOCATION: OAKLAND, CALIFORNIA
 CLIENT: JOHN MALICK
 DESCRIPTION: CLUB HOUSE AND GOLF COURSE IMPROVEMENTS

EXHIBIT C

SCG NO: 97-051A
 PREPARED BY: L. SAYLOR
 CHECKED BY: L. TRUONG
 DATE: 4/30/97

OPINION OF COST

NO. BLDGS: ONE
 BASEMENT: NONE
 TYPE CONSTRUCTION: TYPE V
 SPECIAL FDN: NONE

GSF: 5,066
 HR. RTG: NR

ITEM #	DESCRIPTION	ITEM NO	QUANTITY	UNIT	UNIT PRICE	TOTAL
4.21	ROOF, INSULATION & S.M.					
	NEW RIGID INSULATION AND ROOF		6,156	SF	4.75	29,241
	TOTAL 4.21					29,241
4.31	MISC. IRON, S.M., SOUND INSULATION					
	MISC. IRON		5,066	SF	0.75	3,800
	SOUND INSULATION		5,060	SF	0.50	2,530
	TOTAL 4.31					6,330
4.32	SKYLIGHTS					
	TOTAL 4.32					
4.36	PAINTING, MISC. MECH. ELEC. EXT.					
	ALL PAINTING NEW AND EXISTING		5,066	SF	2.00	10,132
	TOTAL 4.36					10,132
5.11	INTERIOR WALLS					
	GWB, STUDS, INSULATION, PAINT, BASE		1,580	SF	7.75	13,020
	TOTAL 5.11					13,020
5.12	INTERIOR DOORS					
	DOORS, 3' X 7" SOLID CORE, PAINT, HARDWARE, FRAME		6	EA	750.00	4,500
	TOTAL 5.12					4,500
5.21	CEILING FINISHES, PATCH & ACOUSTIC					
	NEW HUNG GYPOR ACOUSTIC TILE		1,825	SF	3.50	6,388
	EXISTING HUNG ACOUSTIC		3,096	SF	3.50	10,836
	TOTAL 5.21					17,224
5.22	FLOOR FINISHES, CARPET & RESILIENT					
	FLOOR FINISHES, CARPET & RESILIENT		1,825	SF	3.75	6,844
	NEW		3,096	SF	3.75	11,510
	TOTAL 5.22					18,354

PROJECT MONTCLAIR GOLF CLUB
 LOCATION OAKLAND, CALIFORNIA
 CLIENT JOHN MALICK
 DESCRIPTION CLUB HOUSE AND GOLF COURSE IMPROVEMENTS

EXHIBIT C

SCG NO: 97-051A
 PREPARED BY: L. SAYLOR
 CHECKED BY: L. TRUONG
 DATE: 4/30/97

OPINION OF COST

NO. BLDGS: ONE
 BASEMENT: NONE
 TYPE CONSTRUCTION: TYPE V
 SPECIAL FDN: NONE

GSF: 5,066
 HR. RTG: NR

ITEM #	DESCRIPTION	ITEM NO	QUANTITY	UNIT	UNIT PRICE	TOTAL
5.31	TILE					
	BATH FLOORS		225	SF	10.00	2,250
	TOTAL 5.31					2,250
5.32	SPECIAL FINISHES					
	WOOD PANELING TO MATCH EXISTING		1,260	SF	4.50	5,670
	TOTAL 5.32					5,670
5.40	INTERIORS					
	TOTAL 5.32					5,670
5.41	CABINETS AND TOPS					
	NEW CABINETS, PRO SHOP		44	LF	150.00	6,600
	NEW SHELVEING AND CUBBIES		64	LF	100.00	6,400
	TOTAL 5.41					13,000
6.10	GENERAL BUILDING SPECIALTIES					
	BATH ACCESSORIES ADA		5,066	SF	1.00	5,066
	TOILET PARTITIONS		1	LS	2,500.00	2,500
	TOTAL 6.10					7,566
7.00	EQUIPMENT/SECURITY SYSTEM					
	TOTAL 7.00					
8.00	SPECIAL CONSTRUCTION					
	TOTAL 8.00					
9.00	CONVEYING					
	TOTAL 9.00					
10.11	PLUMBING					
	NEW HANDICAPPED BATHS		5	FIX	3,200.00	16,000
	TOTAL 10.11					16,000

PROJECT MONTCLAIR GOLF CLUB
 LOCATION OAKLAND, CALIFORNIA
 CLIENT JOHN MALICK
 DESCRIPTION CLUB HOUSE AND GOLF COURSE IMPROVEMENTS

EXHIBIT C

SCG NO: 97-051A
 PREPARED BY: L. SAYLOR
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 DATE: 4/30/97

OPINION OF COST

NO. BLDGS: ONE
 BASEMENT: NONE
 TYPE CONSTRUCTION: TYPE V
 SPECIAL FDN: NONE

GSF: 5,066
 HR. RTG: NR

ITEM #	DESCRIPTION	ITEM NO	QUANTITY	UNIT	UNIT PRICE	TOTAL
10.15	HVAC					
	NEW HVAC AT OFFICE AND PRO SHOP		1,825	SF	8.75	15,969
	NEW FANS AT BATHS		1	LS	450.00	450
	TOTAL 10.15					16,419
10.17	FIRE PROTECTION					
	TOTAL 10.17					
11.00	ELECTRICAL, GENERAL					
	NEW MAIN PANEL AND SUB PANEL		400	AMP	17.00	6,800
	SUB PANELS		2	EA	2,700.00	5,400
	NEW LIGHTING AND CONDUIT		5,066	SF	4.75	24,064
	NEW GFI CIRCUITS AND OUTLETS		5,066	SF	6.90	34,955
	TOTAL 11.00					71,219
11.02	ELECTRICAL SPECIAL SYSTEMS					
	TOTAL 11.02					

VENDORS AND BUILDING CONTRACTORS
INSURANCE AND INDEMNIFICATION REQUIREMENTS

The following is a summary of the insurance required of a Vendor or Building Contractor in performing work on Dunsmuir buildings or grounds. Please consult the written description contained in the Agreement between the City and the Nonprofit Corporation for further details. The Nonprofit Corporation shall incorporate these insurance and indemnification requirements in any and all agreements with Vendors and Building Contractors as more further defined in Section II, Paragraph 18 of this Agreement.

Vendor or Building Contractor shall obtain all of the insurance required in the following paragraphs and shall maintain the same at all times during the life of the Agreement. At the time of execution of the Agreement, and before the Agreement is executed by the Nonprofit Corporation, Vendor or Building Contractor shall cause to have filed with the Nonprofit Corporation and the City Office of Parks & Recreation, the original of an insurance policy, certificate, memo or rider certifying that the required coverage and endorsements as set forth below are in effect:

1. Comprehensive General Liability and Automobile Liability:

Bodily Injury	:	minimum	\$500,000	each person
		minimum	\$500,000	each accident
Property Damage:		minimum	\$500,000	each accident

Coverage shall include contractual liability.

2. Worker's Compensation and Employer's Liability:

Is required and must be shown on an insurance certificate and filed with the Nonprofit Corporation and City Office of Parks & Recreation.

3. City as Additional Insured:

Policies of Comprehensive General Liability and Automobile Liability must contain an endorsement naming the City of Oakland, its Council, officers and employees as additional insureds for the duration of the contract and for the specific work done under the contract.

4. Notice of Cancellation:

A Thirty-day notice shall be shown on each certificate promising to notify the City of Oakland in the event of coverage cancellation or significant reduction in coverage. When using the accord form, please delete "endeavor to" and "but failure to mail such notice . . . representatives."

5. Changes or Additions:

Any changes or additions after this signature on the certificate should be signed by an authorized agent or his representative.

All insurance papers and bonds submitted to the City will be reviewed for approval by the City Attorney.

6. Indemnification:

Vendor or Building Contractor shall protect, defend, indemnify and hold the City, its council, officers, employees and agents, and any successors thereto, free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings, or causes of action of every kind and character in connection with or arising directly or indirectly out of the use, operation or maintenance of Dunsmuir. Vendor or Building Contractor further agrees to investigate, handle, respond to, provide defense for and defend any such claim, etc., and bear all other costs and expenses related thereto.

EXHIBIT E

Montclair Golf Course Concession Agreement

May 20, 1997

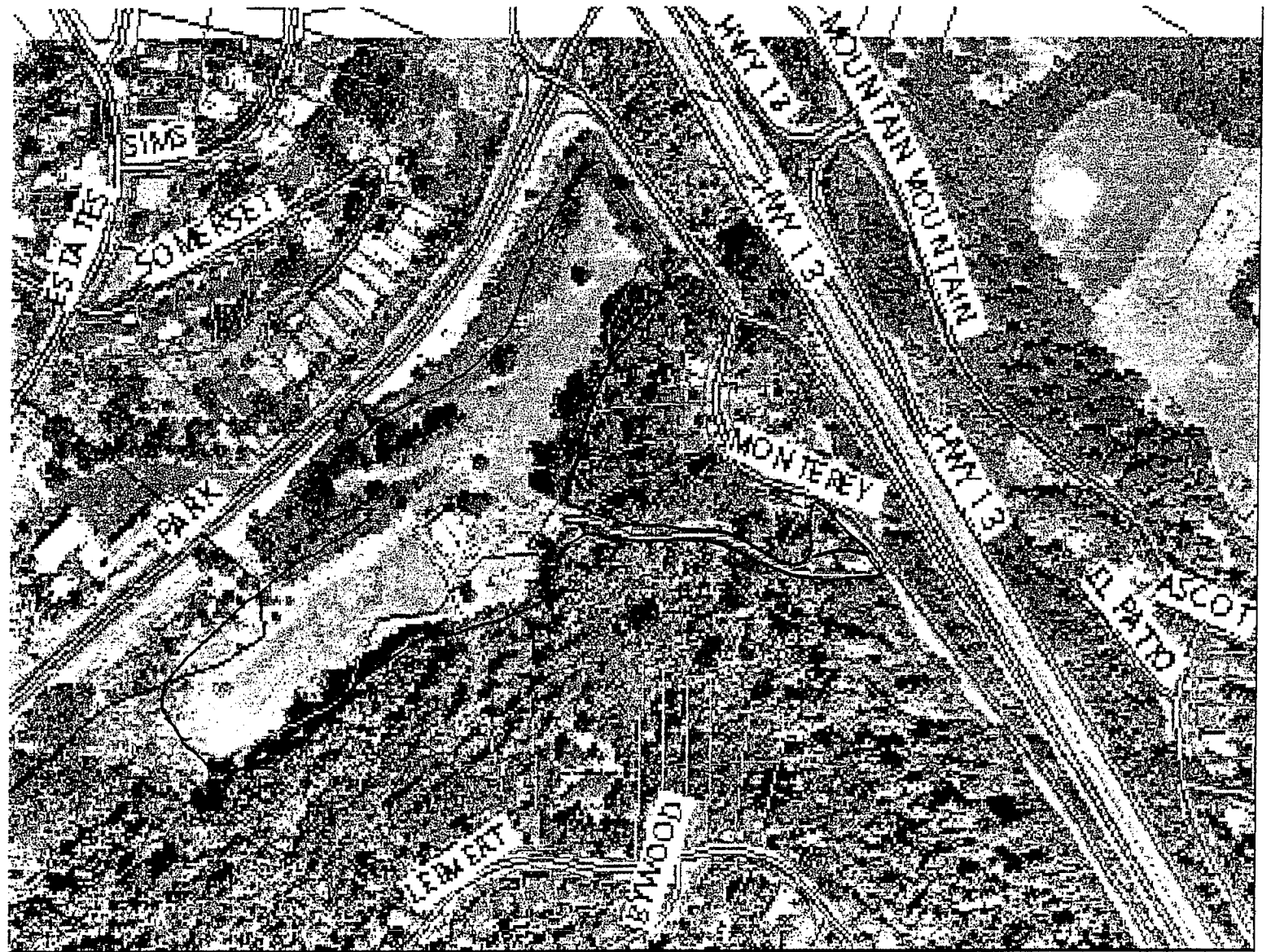


EXHIBIT E

MONTCLAIR GOLF COURSE CONCESSION AGREEMENT
MAY 20, 1997

Montclair Golf Course consists of several City owned parcels including the following Assessor Parcel Numbers:

1. 29A-1330-027-04 2477 Monterey Boulevard
2. 29A-1330-031
3. 29A-1330-009-04
4. 29A-1330-027-06
5. 29A-1330-027-08

Montclair Golf Course also depicted on the attached aerial photograph.

EXHIBIT F

Montclair Golf Course Concession Agreement
May 20, 1997

In addition to the Concessionaire's requirements to provide monthly operational and financial reports plus bi-monthly construction and construction accounting reports to Parks, Recreation and Cultural Services, the Concessionaire shall provide to the City Auditor with monthly records of the following items:

1. Copy of the commercial bank statement.
2. Copy of bank reconciliation.
3. Copy of daily deposit slips for the month.

The Concessionaire agrees to provide the City Auditor with the following quarterly reports:

1. Inventory of pro shop performed by an independent third party firm.
2. Copy of sales tax returns.
3. Copy of payroll tax returns.

The Concessionaire agrees to provide the City Auditor with the following annual report consisting of the following:

1. Profit and loss statement.
2. Balance sheet.
3. Cash flow statement (source of funds and application of funds statement).
4. Federal and State tax returns of Concessionaire.

A special five year audit as provided in Section 12 of the Agreement shall be required of Concessionaire only if, in the professional opinion of the City Auditor, there are serious inadequacies in Concessionaire's financial record keeping or serious misstatements in the financial reports.

Montclair Golf Course Concession Agreement
May 20, 1997EQUIPMENT INVENTORY
MONTCLAIR RESTAURANT

- 1 ~~Hot water heater (75 gallon)~~ ✓
- 1 ~~Manitowoc Ice maker 600~~ ✓
- 1 ~~refrigeration compressor/outside~~ ✓
- 1 pressure washer
- 1 soup warmer-nitro power cooker
- 2 chafing dishes with lids
- 11 folding chairs
- 9 straight back chairs
- 16 bar stools
- 1 Cambro food warmer
- 1 Cambro portable beverage dispenser
- 34 dining room chairs with arm rests
- 8 36"x27" tables
- 9 36"x36" tables
- 1 prep table (2 door)
- 1 salad bar beverage, air, 2 door
- 1 4 slice Toastmaster toaster
- 2 ~~3 compartment stainless steel bar sinks~~ ✓
- 1 ~~2 door beer box with 1 tower~~ ✓
- 1 hot dog warmer
- 3 color televisions 28"
- 1 satellite receiver
- 4 2 burner coffee warmer
- 4 folding utility tables
- 1 35 ID deep fryer
- 1 4 bay gas steam table
- 1 bread steamer-Fresho-matic
- 1 Iwells wet/dry food warmer
- 6 ~~burner Wolfe range with grill and 2 ovens~~ ✓
- 1 charbroiler
- 1 Globe electric slicer 10" blade
- 1 Robo Coupe food processor
- 10 full sheet pans
- 2 half sheet pans
- 12 assorted tongs
- 17 assorted slotted spoons
- 4 large braising pans
- 2 4 quart sauce pans
- 2 8 quarts sauce pans
- 1 12" fry pan
- 10 12" fry pans

EXHIBIT G

Montclair Golf Course Concession Agreement
May 20, 1997

1	china cap
2	sieves
1	colander
1	32 oz. Portion control scale
1	top load ice cream freezer
4	4 oz. Ladles
6	2 oz. Ladles
24	assorted slotted spoons
4	12 quart pots
3	48 quart pots
20	assorted Cambro plastic containers
24	assorted third pans
2	74 quart pots
8	assorted half pans-plastic
6	Assorted half pans-stainless
72	#6 pans assorted sizes
12	hotel pans assorted sizes
8	24 quart Cambro containers-plastic
12	assorted plastic bowls
14	large lettuce containers-Cambro
50	Metro Erecta shelf
36	Metro Erecta shelf poles
1	Redco table mount can opener
1	prep table with sink 5' x 3'
1	prep table with drawer 5' x 3'
2	prep tables 6' x 3'
1	prep table 10' x 3'
1	Smith Corona PWP 750
1	Konica 1290 copier
2	lazy susans
8	assorter catering trays
1	3 drawer desk
2	rolling chairs
1	paper cutter
1	4 compartment pasta warmer
4	3 gallon garbage cans
3	square garbage cans
3	rectangle garbage cans
10	assorted round stainless steel pots
1	stainless hand sink <i>MM</i>
8	bus trays
2	stainless steel steam table canopies
36	iced tea spoons
24	large serving spoons
24	cocktail forks

EXHIBIT G

Montclair Golf Course Concession Agreement
May 20, 1997

36	tablespoons
36	salad forks
144	dinner forks
96	dinner knives
48	steak knives
144	6 1/2 oz. Wine glasses
24	rocks glasses
120	10 1/4" plates
48	11 1/2" platters
18	8" plates
66	6" plates
60	4" plates
36	coffee saucers
20	Irish coffee glasses
4	fluted champagne glasses
44	13 oz. Rocks glasses
20	Hiball glasses
4	chimney glasses
7	tulip glasses
3	martini glasses
14	large carafes
9	small carafes
24	9 oz. Brandy snifters
24	10 oz. Coffee mugs
48	10 oz. Beer glasses
44	8 oz. Soup cups
51	16 oz. Plastic tumbler
56	9 oz. Glass tumbler
76	8 oz. Coffee cups
13	64 oz. Pitcher
21	large glass salad bowls
17	8 oz. metal cream servers
8	3 oz. metal cream servers
22	straw baskets
34	3 oz. plastic ramekin
11	coffee pots
5	shrimp cocktail glass bowls
12	16" round trays
13	rectangle trays
4	6 oz. plastic cheese shakers
56	glass salt/pepper shakers
20	sugar holders
2	20" braising pans
1	16" braising pan
1	walk-in refrigerator-freezer