

- B.4** Staff Report (For Possible Action): Approval and Award of R.F.P. #2025-05 and associated service agreement to Legacy Hospitality Group for the operation of the concession at the Reno Sports Complex.

STAFF REPORT

Date: February 12, 2025

To: Mayor and City Council

Through: Jackie Bryant, City Manager

Subject: Staff Report (For Possible Action): Approval and Award of R.F.P. #2025-05 and associated service agreement to Legacy Hospitality Group for the operation of the concession at the Reno Sports Complex. [Ward 1]

From: Danny Gleich, Recreation Manager

Department: Parks and Recreation

Summary:

The City manages the Reno Sports Complex to provide services to the public and to support economic vitality in the region. The City has contracted with a food/drink concessionaire to provide services during tournaments and regular league play. The existing agreement expires March 1, 2025 and staff followed state purchasing guidelines to secure a replacement contract. The proposed new agreement is for three years with two, one-year extensions. Based on the results of the bidding process, staff is recommending the contract be awarded to Legacy Hospitality Group.

Consent Review	Yes	No
1. Is this item an annual or standard item that comes before Council for regular approval?	X	
2. Is this item an agreement required based on an item previously approved by Council?	X	
3. Is this item included in the current budget approved and adopted by Council?	X	
Other Considerations		
What percent of the total City budget does this item represent?	0%	

Alignment with Strategic Plan:

Arts, Parks, and Historical Resources
Fiscal Sustainability

Previous Council Action:

Council most recently approved this contract agreement in February of 2022.

Background:

The City of Reno contracts with local vendors to provide concession services at the Reno Sports Complex. The operation of the Sports Complex lasts seven months during the spring, summer, and fall. Concession service is available for City athletic programs and local and national sporting tournaments that are held at the Sports Complex. The current contract expires on March 1, 2025. The City of Reno sent out an RFP for operation of the Sports Complex concession stand and placed on the Reno.Gov website as well as the online portal. The RFP was posted in the Reno Gazette-Journal December 5, 2024.

Discussion:

One vendor responded to the RFP: Legacy Hospitality Group.

Upon review of the proposals by staff, Legacy Hospitality Group has been selected as the vendor to provide this service based upon their proposal, knowledge and experience in this area. The agreement is an initial term of three years with a contract extension provision for two additional one-year period providing that the quality of products and/or service levels remain adequate.

Financial Implications:

The City of Reno set the monthly fees for the vendor at a rate of \$5,000.00 per month of operation, June through October. In addition, Concessionaire shall pay an amount equal to twenty percent (20%) of gross sales that exceed Ten Thousand Dollars (\$10,000.00) per month, June through October, within five (5) calendar days after providing the financial records required pursuant to this Agreement. All payments shall be timely made to the City of Reno Parks and Recreation Department. If for any reason this payment is not made timely, in addition to a late fee of Fifty Dollars (\$50.00), Concessionaire shall pay interest at a rate of ten percent (10%) per annum on all amounts past due. The selected vendor is also required to pay 2% of gross sales each month to the State of Nevada Bureau of the Blind and Visually Impaired Business Enterprises Program. Funds are deposited to a Parks and Recreation revenue account in the General Fund.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council award Legacy Hospitality Group a three-year agreement to operate the concession stand at the Reno Sports Complex.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Reno Sports Complex Concession Agreement

RFP Submission

RFP Award Letter

Reno Sports Complex Concession Stand Agreement

THIS AGREEMENT is made and entered into this _____ day of _____, 2025, is by and between the City of Reno, a Municipal Corporation organized and existing under the laws of the State of Nevada, hereinafter referred to as the “City,” and Legacy Hospitality Group hereinafter referred to as “Concessionaire.”

RECITALS

WHEREAS, the Parks and Recreation Department for the City (hereafter referred to as “Department”) has determined that a need exists at the Reno Sports Complex (the “Park”) for a concessionaire to operate a refreshment stand offering food and beverages for sale to the general public at the Park (hereafter the “Concession”); and

WHEREAS, the City desires to have Concessionaire operate the Concession; and

WHEREAS, the function of the City at the Park is to manage and protect the recreational value and to provide facilities and services consistent with the purposes of the Park; and

WHEREAS, the City and Concessionaire desire to set forth the terms and conditions by which Concessionaire will maintain and operate the Concession as of the Effective Date of this Agreement; and

NOW THEREFORE, based upon the foregoing recitals which are incorporated into this Agreement by reference, the parties agree as follows:

1. GENERAL

Concessionaire agrees to operate the Concession and to serve and provide for sale of food and beverage items that are commonly found in a refreshment stand to the general public. Concessionaire shall operate and maintain the Concession in a safe, sanitary, clean, orderly, and inviting condition at all times in compliance with all applicable federal, state, and city laws, ordinances, and regulations including those of the Washoe County Health Department. Concessionaire shall maintain and operate under a current business license for the City of Reno.

All food and beverage items and related prices for sale shall be evident to the public either by “reader board,” printed menu, or both. Concessionaire agrees to provide a copy of its menu to the Department. The Department may, but is not required to, determine that a particular item of food or beverage is not to be sold at the Concession and may direct that any item not be offered for sale.

Prices charged for food and beverage items shall be reasonable, as agreed upon between Concessionaire and the City. Two copies of all price lists shall be delivered to and approval received for the charges in writing before the items may be offered for sale at the Concession.

Concessionaire shall provide services as per the response to the City of Reno Request for Proposal #2025-05 which is attached hereto as Exhibit B and incorporated herein by this reference in full to the extent not inconsistent with the terms of this Agreement.

2. TERM

This Agreement shall remain in effect from the date it is approved and executed by all parties ("Effective Date") until March 1, 2028, unless terminated sooner pursuant to this Agreement. Upon review by the City, and in the event extension is in the best interests of the City and Concessionaire is found to be in full compliance with all terms of this Agreement, Concessionaire may be granted by the Director of the Department one (1) additional (2) year extension of the term. Extension may be made contingent upon the City and Concessionaire arriving at any additional mutually agreeable terms. Concessionaire must provide written request of its desire to extend the term of this Agreement at least four (4) months prior to the end of the term.

3. HOURS

Concessionaire agrees to open the Concession when an activity, at which more than ten (10) people are expected to attend, is scheduled at the Park. The Department shall provide at least twenty-four (24) hours' notice of a scheduled activity. Concessionaire shall open the Concession at least fifteen (15) minutes prior to the start of the scheduled activity and not close the Concession until the end of the last scheduled activity in a given day. It is understood that this may require early morning, late night, and weekend coverage.

4. ADVERTISING SIGNS

All advertising and signs, of any type, shall be conducted or posted only upon the approval of the Department. All advertising shall include reference to the City of Reno and receive approval of the Department prior to utilization.

5. REGULATIONS

Concessionaire agrees to abide by all laws, rules and policies established by the City of Reno for the sale of alcoholic beverages, including obtaining an appropriate business license. The sale of alcoholic beverages shall be included in reporting of gross receipts as required under this Agreement.

A. Alcoholic beverages will be sold in the form of beer and wine only and may only be distributed in containers approved by the Department.

B. It shall be the responsibility of the Concessionaire to ensure that persons under the age of 21 years do not purchase or obtain alcohol from Concessionaire.

C. If police calls increase as a result of alcohol being served and consumed in the Park, the ability to sell alcohol in the Park pursuant to this Agreement may be immediately suspended by the Department or the Police Department.

D. Concessionaire agrees that alcohol will be sold no earlier than one hour prior to the first game or scheduled event on any given day, and service will be discontinued no later than one hour after the completion of the final game or scheduled event. These time periods will be coordinated with and receive prior approval of the Department and will vary depending on the schedule of activities.

6. MAINTENANCE OF CONCESSION AND EQUIPMENT

Concessionaire shall be responsible for the maintenance and upkeep of the areas used within the Concession area and shall maintain the Concession and all applicable equipment in good repair. Concessionaire also shall be responsible for all garbage clean up on the dates the Concession is open to the public for the Concession. The responsibility for clean up includes the Concession and any debris or garbage left in the Park from sales at the Concession, including bleacher and dugout areas. All garbage and debris shall be placed in trash containers provided by the City. If garbage and debris are overflowing in any trash containers, Concessionaire shall remove the garbage to the larger dumpsters available at the Park or contact the Department for instructions on placement. All maintenance in and around the Concession must be performed to satisfaction of the Department. The City reserves the right to enter the Concession area at any reasonable time to inspect the operation, premises, and equipment.

Cleaning shall be done after each scheduled activity and must be completed not later than 8:00 a.m. of the next day. When early morning activities are scheduled, areas must be cleaned two hours prior to the first scheduled activity.

No alterations and/or changes may be made to City premises without written Department approval. Any approved alterations will be at the expense of Concessionaire. Any damage occurring during possession of the Concession by Concessionaire shall be Concessionaire's responsibility for repair. Concessionaire shall obtain Department's written approval prior to undertaking repairs.

7. IMPROVEMENTS

Concessionaire warrants and agrees that he has inspected the premises and accepts them in their current "as is" condition. In the event Concessionaire desires to make improvements or install fixtures or equipment ("Improvements") to any part of the Concession, he may do so at his own expense only after obtaining written approval from the City and satisfying all applicable code requirements. All Improvements shall be performed in a good workmanlike manner in accordance with sound construction practices.

All Improvements constructed by Concessionaire shall become the property of the City, unless mutually agreed upon in writing by Concessionaire and City. If it is agreed in writing that the Improvements can be removed at the end of this Agreement, Concessionaire shall assure that the removal of the Improvements does not cause any damage to the premises.

Concessionaire shall keep the premises and Improvements free and clear of all liens and shall hold the City harmless from any responsibility occasioned therefrom.

8. UTILITIES

All existing utilities, such as, electricity, propane, and garbage pick-up shall be provided by the City. All other utilities requested by Concessionaire shall be installed at its own expenses and only after receiving the prior written approval for the improvements and comply with all requirements of section 7 of this Agreement. Concessionaire shall pay for all costs of operation of any telephones and/or utilities it requests to be installed.

9. FINANCIAL RECORDS AND PAYMENTS

Concessionaire shall keep true, accurate, and complete records and accounts of all sales and shall timely comply with all financial provisions of this Agreement.

A. Concessionaire agrees to maintain cash register receipt tapes and an adequate set of bookkeeping records and to adopt and maintain a method of recording financial

information satisfactory to and as approved by the Department. Records will be made immediately available to the Department for examination upon request.

B. On or before the fifteenth (15th) day of each and every month, June through October, Concessionaire shall submit the following to the Department office:

1. State of Nevada; Combined Sales, Local School Support, Use and County Option Tax Return; Monthly Report; as submitted to the Nevada Department of Taxation.
2. Daily Receipts Report for the prior month.

C. City reserves the right to cause an audit of the financial records provided by Concessionaire, and Concessionaire agrees to cooperate with and provide all records requested in that audit. If it is determined that Concessionaire has under paid pursuant to paragraph 8. D., below, Concessionaire shall pay any underage within fifteen (15) days of demand based upon such determination.

D. Concessionaire agrees to pay to City the following guaranteed fees on or before the fifteenth (15th) day of the month, *June through October (no fee is collected for April or May)*, for a total of five (5) months:

Agreement	Agreement Start	Agreement End	% Increase	Monthly Base Fee (Jun - Oct)	# of Months	Total Base Annual Payment
Initial Term - Year 3	4/1/2025	3/1/2028	0%	\$ 5,000.00	5	\$ 25,000.00
Extension # 1	3/2/2028	3/1/2029	0%	\$ 5,000.00	5	\$ 25,000.00
Extension # 1	3/2/2029	3/1/2030	0%	\$ 5,000.00	5	\$ 25,000.00

In addition, Concessionaire shall pay an amount equal to fifteen percent (20%) of gross sales that exceed Ten Thousand Dollars (\$10,000.00) per month, *June through October*, within five (5) calendar days after providing the financial records required pursuant to this Agreement. All payments shall be timely made to the City of Reno; Parks, Recreation, and Community Services Department. If for any reason this payment is not made timely, in addition to a late fee of Fifty Dollars (\$50.00), Concessionaire shall pay interest at a rate of ten percent (10%) per annum on all amounts past due.

E. Per NRS 426.670.3, "The Bureau may enter into contracts with vendors for the establishment and operation of vending stands. These contracts must include provisions for the payment of commissions to the Bureau based on revenues from the vending stands. The Bureau may assign the commissions to licensed operators for the maintenance of their incomes."

Currently, this percentage is 2%. Vendor is responsible for submitting payments directly to the Services to the Blind and Visually Impaired office (775-687-6860). Additionally, vendor is responsible for staying current on applicable rates due to changes in NRS 426. Concessionaire shall pay said amount to the order of "BSBVI", shall note on the check "Commission for month/year", and shall deliver it to:

Bureau of Services to the Blind and Visually Impaired
1370 So. Curry Street
Carson City, NV 89703

with a copy of the payment to the City. Concessionaire shall pay interest at a rate of ten percent (10%) per annum on all amounts past due. In the event of a breach of this subsection by Concessionaire, and provided Bureau notifies City of said breach within 30 days of the breach, City shall have the obligation to use reasonable efforts to enforce this subsection on behalf of Bureau, including bringing suit against Concessionaire if there is a reasonable chance of recovery. Bureau shall retain the option to bring suit directly against Concessionaire. Bureau is an intended third party beneficiary of the contract with respect to this subsection.

10. PERMITS AND TAXES

Concessionaire agrees to obtain, and pay at its own expense, any and all permits and licenses, which may be required by law or ordinance in the conduct of the Concession and to timely pay any and all taxes, which may be assessed against it for whatever purposes in the operation of said Concession. Proof of the amount of the assessment and payment of the taxes assessed shall be provided in a timely manner to the Department.

11. LIABILITY INSURANCE

Concessionaire agrees that at all times during the existence of this Agreement, it shall maintain in force a comprehensive general liability insurance policy covering and insuring all parties or property occasioned by the operations of the Concessionaire on City property. The liability insurance policy is to be a one million dollar (\$1,000,000.00), combined, single limit, occurrence based policy, in a form satisfactory to the City. Concessionaire agrees to furnish a Certificate of Insurance/Endorsement to City, at Concessionaire's expense, and to name the City as an Additional Insured under the liability policy. The liability policy shall contain a provision that such policy shall not be cancelled until thirty (30) days prior written notice of cancellation has been received by the City. Insurance coverage by this paragraph shall be provided by a company licensed to do business in the State of Nevada with a Best rating of A.VII or above.

12. WORKERS' COMPENSATION INSURANCE

Concessionaire agrees that at all times during the existence of this Agreement, it shall maintain in force a Workers' Compensation Insurance policy acceptable to the State of Nevada, Department of Insurance covering all persons working under this Agreement, including any and all owners(s)/operators(s) as Concessionaire. Concessionaire agrees to furnish a Certificate of Insurance to City, at Concessionaire's expense.

13. HOLD HARMLESS

Concessionaire shall keep and hold the City and City's officers, agents, servants and/or employees harmless from any and all costs, liability, damage, or expense, including costs of suit and expenses of legal services, claimed by anyone by reason of injury or damage to persons or property sustained in, on or about the premises, or arising out of Concessionaire's operations or occupancy of the premises, as a proximate result of the acts or omissions of Concessionaire or Concessionaire's officers, agents, servants and/or employees, excepting such liability as may be the direct and proximate result of the negligence of City or of its officers, agents, servants and/or employees while acting within the course and scope of their official duties, agency and/or employment. Each party to this Agreement shall give to the other, prompt and timely notice of any claim made or suit instituted coming to its knowledge, which in any way directly or indirectly, contingently or otherwise, affects or might affect either party or both. Concessionaire hereby expressly agrees to indemnify City from all financial obligations resulting from this Agreement.

14. ASSIGNMENT

Concessionaire will not sell, assign, or sublet said Agreement or any part thereof without the written permission of the Department.

15. EQUIPMENT TO BE SUPPLIED

Concessionaire shall supply any other equipment not listed in Exhibit "A." The equipment listed in Exhibit "A" is the property of the City and shall be maintained as set forth in section 6 of this Agreement, normal wear and tear excepted. The City will not be responsible for repairing or replacing equipment listed in Exhibit "A". All property of the City shall remain on the premises and shall not be removed unless prior approval is received from the Department. Concessionaire shall supply a written list of any other equipment, it desires to utilize on the premises and shall receive prior approval of the City prior to utilization at the Concession.

Items may not be stored in electrical or irrigation chases. Vehicles will be allowed in concession area for loading/unloading only--otherwise all concession vehicles (delivery, staff, etc.) will need to park in the parking lot.

16. EMPLOYEES AND CLEANLINESS

Concessionaire and its employees that engage in the operation of Concession, where food and drinks are sold, shall wear suitable clothing or uniforms which shall be mutually agreed on by the Department and the Concessionaire. Said garments are to be kept clean and neat at all times. Employees shall be clean, courteous, efficient, and neat in appearance.

All persons authorized by Concessionaire to sell, dispense, or distribute foods, beverages, and other articles intended for human consumption shall at all times maintain pure, clean, adequate, and wholesome stocks, which must be kept from all contamination and served according to the standards established by the State Department of Public Health and Washoe County District Board of Health.

17. LOUD SPEAKERS

No sound-producing devices shall be used by Concessionaire within or outside its concession premises.

18. SECURITY

Concessionaire shall be responsible for the security and safety of the Concession and related equipment assigned to its exclusive use and shall lock all doors and windows when the premises are not in use.

19. TERMINATION

- A. This Agreement may be terminated by either party provided that forty-five (45) days written notice is provided to the other party at the address set forth for notices below.
- B. If Concessionaire defaults on any of the terms of this Agreement, this Agreement shall terminate upon failure of Concessionaire to correct the default within ten (10) days of the mailing of written notice thereof from the City. Upon termination, Concessionaire agrees to peaceably quit and surrender possession of City owned property immediately.
- C. Notwithstanding other provisions contained in this Agreement, the City is granted the right to immediately terminate this Agreement upon failure of Concessionaire to keep in

full force and effect during the entire term of this Agreement the insurance requirements set out in this Agreement.

20. RELATIONSHIP OF PARTIES

The City and Concessionaire understand and agree that nothing in this Agreement is intended or should be construed as creating or establishing the relationship of partners or joint ventures between them, or as constituting Concessionaire as City's agent, representative, or employee in any manner. Concessionaire is and shall remain an independent contractor as defined in NRS 333.700 with respect to all services performed or provided under this Agreement. Accordingly, there shall be no:

1. Withholding of income taxes by the City;
2. Coverage for industrial insurance provided by the City;
3. Participation in group insurance plans which may be available to employees of the City;
4. Participation or contributions by either the independent contractor or the City to the public employees' retirement system;
5. Accumulation of vacation leave or sick leave; or
6. Coverage for unemployment compensation provided by the City.

21. INVALID PROVISIONS

It is expressly understood and agreed by the parties hereto that in the event that any covenant, condition, or provision herein contained is held to be invalid by any court of competent jurisdiction, the validity of such covenant, condition, or provision does not materially prejudice either City or Concessionaire in its respective rights and obligations contained in the valid covenants, conditions, or provisions of this Agreement, which shall remain in full force and effect.

22. INTEGRATION

This agreement represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except by written amendment thereto signed by both parties.

23. JURISDICTION

This Agreement shall be administered and interpreted under the laws of the State of Nevada and venue shall be in Washoe County.

24. DUE AUTHORIZATION

Each party to this Agreement represents that all required authorizations have been obtained prior to execution of this Agreement and for the compliance with each and every term hereof. Each person signing this Agreement warrants and represents to the other party that he or she has actual authority to execute this Agreement on behalf of the party for whom he or she is signing. The City Manager or Designee is delegated the authority to execute any and all future amendments to the Original Agreement.

25. NOTICES

All notices, requests, consents, and approvals under this Agreement shall be addressed as follows:

CITY: City of Reno
Attn: Director of Parks and Recreation
1 E. First Street, 11th Floor
Reno, Nevada 89501

CONCESSIONAIRE: [Legacy Hospitality Group]
Attention: Itai Shoffman

The parties may designate a different representative or address for purposes of serving notices in writing deliverable to the other party.

26. ARBITRATION

The parties to this Agreement shall make every reasonable effort to resolve conflicts with the parties involved. However, if settlement is not obtained the parties may agree to submit the conflict to binding arbitration. If the parties agree on binding arbitration the following applies:

1. The arbitrator shall be selected by mutual agreement of the parties;

2. It shall be the duty of the arbitrator to hear and consider evidence submitted by the parties and to thereafter make written findings of fact and a disposition of the settlement, which shall be binding in nature, except as to issues of law;
3. Each party to a hearing before an arbitrator shall bear his own expenses in connection therewith; and
4. All fees and expenses of the arbitrator shall be split equally by each of the parties.

IN WITNESS WHEREOF, the parties hereto have affixed their hands and seals the day and year in this Agreement first above written.

CITY OF RENO:

CONCESSIONAIRE:

HILLARY L. SCHIEVE
MAYOR

By: _____
Its: Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney's Office

Exhibit A

Items belonging to the City of Reno, being used by the concessionaire at the Reno Sports Complex

- Concession Building

Equipment:

- Walk in Cooler
- Refrigerator
- Ice Machine



Legacy Hospitality & Entertainment Group LLC
Attn: Itai Shoffman
54 State Street
Albany, NY 12207

December 31, 2024

Reference: Request for Proposal #2025-05 – Reno Sports Complex Concession Stand Operation

The City of Reno would like to thank you for your recent participation in Request for Proposal #2025-05 – Reno Sports Complex Concession Stand Operation.

After a review of the proposals presented for consideration, Staff will be recommending to Council that Legacy Hospitality & Entertainment Group LLC be awarded this project. Staff makes no representations that a contract will be awarded by Council. The project manager will be contacting you soon to discuss the contract.

Thank you again for your participation.

A handwritten signature in black ink, appearing to read "Marcie Wood", is located above the printed name.

Marcie Wood
Management Analyst – Purchasing
775-326-6658
City of Reno
Po Box 1900
Reno, NV 89501