



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL

FROM: LINSEY JOYCE, RECREATION DIRECTOR
ERIN SOCKS, FRISCO ADVENTURE PARK GENERAL MANAGER

RE: CONSENT TO ASSIGNMENT – FRISCO HAUS CONCESSIONAIRE CONTRACT AND
LEASE AGREEMENT AT THE FRISCO DAY LODGE

DATE: November 12, 2024

Summary and Background:

The Town of Frisco operates the Frisco Adventure Park, which includes the tubing hill, Nordic Center, ski & ride hill, terrain park, and free sledding hill. For the 2024/2025 winter season, the Town is seeking to partner with a vendor at the Day Lodge who can increase food service offerings to include snacks, non-alcoholic beverages, shareable items, and lunch-style entrees. Such food and beverage services have traditionally been operated in-house but due to staffing shortages and limited F&B experience, staff is seeking to contract out such services to a local vendor.

The Frisco Day Lodge is open to the public Thursdays-Mondays from Thanksgiving through early April annually, weather dependent. The café will operate within these operating dates, but consideration may be made at later date for summer operations, if desired. TOF will operate any alcohol sales for winter and summer private/public events. The café component of the Day Lodge is located adjacent to the great room, with a service window into the great room. The café has recently been renovated as part of the Slopeside/Day Lodge renovation project and is now a larger space that works well for an outside vendor.

Analysis: On September 9, 2024, the Town of Frisco posted a Request for Proposals (RFP) seeking competitive proposals from commercial food service companies for the provision and management of a full-service cafe at the Frisco Day Lodge. The submittal deadline was September 30, 2024. One proposal was submitted. Staff reviewed the proposal and interviewed the applicant, Shervin Aghili, owner and operator of Frisco Haus LLC. Staff selected Shervin based on his previous experience in the food and service industry, ski industry, and marketing industry. He has lived in Summit County for over a decade, and as the owner/operator of Bob's

Kebabs, he provides great insight into the food industry and how to best service the local and tourist economy in Frisco.

The Concessionaire Agreement will set the terms and conditions under which Frisco Haus will operate as the seasonal food and beverage concessionaire for the Frisco Day Lodge.

The Lease Agreement with Frisco Haus provides the terms and conditions for use of the Town's property in connection with the food and beverage operation.

Financial Impact: Through the food and beverage concessionaire agreement between the Town and Frisco Haus, the concessionaire pays the Town 10% of all gross revenues collected. This agreement is consistent with other food and beverage concessionaire agreements with the Town of Frisco. The 2025 revenue budget (10-1160-4225) for food and beverage is \$126,000. This budget is divided between winter and summer revenues, with winter revenues projected to be \$75,000. Staff estimate that this agreement with Frisco Haus will assist in meeting the 2025 revenue projections.

Outsourcing the café to Shervin Aghili will allow Town of Frisco staff to focus on operations, guest experience, and maintenance, rather than being involved in the day-to-day management of food services.

Alignment with Strategic Plan: This agreement helps support a thriving economy by encouraging a local business to not only provide goods and services but also to have a positive impact on the experience of residents and visitors. The Town supports Frisco's economy by recognizing, preserving, and improving upon the assets that sustain our community, including the Frisco Adventure Park.

Environmental Sustainability: Concessionaire will engage in the recycling of waste created. Mr. Aghili also understands that he cannot sell or offer for sale any single-use plastic water bottles, and that he cannot sell or offer for sale any single use plastic cup.

Staff Recommendation: Staff recommend the Town Council approve the Agreement for Frisco Haus LLC Concessionaire Contract and Lease Agreement for Food and Beverage Services dated November 12, 2024.

Approved By:

- Tom Fisher, Town Manager
- Diane McBride, Assistant Town Manager

Attachments:

- Attachment 1: Consent to Agreement for Frisco Haus Concessionaire Contract
- Attachment 2: Lease Agreement for Food and Beverage Services