



April 4, 2025

Bob Hix
5025 Rolling Hills
Banning, CA 92220

SUBMITTED VIA EMAIL: hixfix@comcast.com

RE: Records request from March 27, 2025

Mr. Hix,

Thank you for submitting your request. After review with the Association's legal counsel, please see responses to your request below:

1. Attached to this letter are two invoices from the law firm that worked on the Food & Beverage services agreement. The detail is redacted to comply with the attorney-client privilege.
2. The copy of items discussed or directives given to legal counsel are not items members have a right to inspect under Civil Code Sections 4950(a) and 5200.
3. A copy of the legal services retainer agreement with Guralnick & Gilliland, LLP is attached.
4. The copy of correspondence to potential Food & Beverage Service Providers are not items members have a right to inspect under Civil Code Sections 4950(a) and 5200.
5. A copy of the Request for Proposal issued to 3rd party Food & Beverage providers is attached.

Thank you,

Christopher Mitchell
Executive General Manager
c.mitchell@fsresidential.com

GURALNICK & GILLILAND, LLP
40-004 Cook Street, Suite #3
Palm Desert, CA 92211
760-340-1515

Invoice submitted to:
Sun Lakes Country Club
c/o FirstService Residential
850 Country Club Dr.
Banning, CA 92220
08-109

March 4, 2025

Regarding Business Matters

Matter No. 08-109

Professional Services

	<u>Hours</u>	<u>Amount</u>
2/4/2025 WSG [REDACTED]	1.90	807.50
2/5/2025 WSG [REDACTED]	0.70	297.50
2/6/2025 WSG [REDACTED]	1.30	552.50
2/7/2025 WSG [REDACTED]	1.40	595.00
2/10/2025 WSG [REDACTED]	0.90	382.50

		<u>Hours</u>	<u>Amount</u>
2/11/2025 LD		5.30	1,616.50
WSG		3.60	1,530.00
2/12/2025 WSG		1.90	807.50
2/17/2025 WSG		1.50	637.50
2/18/2025 LD		1.30	396.50
WSG		1.70	722.50
2/19/2025 WSG		1.60	680.00
2/21/2025 WSG		0.40	170.00
For professional services rendered		23.50	\$9,195.50
Previous balance			\$10,599.00

Amount

2/10/2025 Payment - thank you. Check No. AVID PAY

(\$4,037.50)

Total payments and adjustments

(\$4,037.50)

Balance due

\$15,757.00

GURALNICK & GILLILAND, LLP
40-004 Cook Street, Suite #3
Palm Desert, CA 92211
760-340-1515

Invoice submitted to:
Sun Lakes Country Club
c/o FirstService Residential
850 Country Club Dr.
Banning, CA 92220
08-109

February 5, 2025

Regarding Business Matters

Matter No. 08-109

Professional Services

	<u>Hours</u>	<u>Amount</u>
1/2/2025 WSG [REDACTED]	0.40	170.00
1/6/2025 WSG [REDACTED]	2.30	977.50
1/15/2025 WSG [REDACTED]	2.30	977.50
1/16/2025 WSG [REDACTED]	0.80	340.00
1/17/2025 WSG [REDACTED]	0.80	340.00
1/19/2025 WSG [REDACTED]	1.50	637.50

		<u>Hours</u>	<u>Amount</u>
1/20/2025 WSG		1.30	552.50
1/22/2025 WSG		1.40	595.00
1/23/2025 WSG		2.20	935.00
1/29/2025 WSG		1.20	510.00
1/30/2025 WSG		0.70	297.50
1/31/2025 WSG		0.60	255.00
For professional services rendered		15.50	\$6,587.50
Previous balance			\$4,011.50
Balance due			<u>\$10,599.00</u>

LEGAL SERVICES RETAINER AGREEMENT

This Agreement is made this 14th day of November, 2022, by and between SUN LAKES COUNTRY CLUB ASSOCIATION, A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION (hereinafter "Association" or "You") and GURALNICK & GILLILAND, LLP (hereinafter "G&G" or "we"). The parties hereto agree to the following terms and conditions:

1. **CONDITIONS.** This agreement will not take effect until the Association has fully executed this Agreement.
2. **SCOPE OF SERVICES.** The Association agrees to hire G & G as an attorney to represent it with respect to any legal matter brought to G & G by the Board and/or General Manager (if authorized to do so as set forth below). We will provide those legal services reasonably required to represent you. We will take reasonable steps to keep you informed of progress of all matters we are handling, and to respond to your inquiries.
3. **ASSOCIATION'S DUTIES.** As legal counsel to the Association, G & G must fulfill certain fiduciary duties, including the duty to communicate fully to the Board all information in its possession concerning and affecting the Association's rights, responsibilities and business affairs. Such communication, when made in confidence, is protected from disclosure by the attorney-client privilege. Accordingly, the Association shall furnish to G & G the names and addressees of all Board members. All correspondence from G & G shall be sent to the Association's property manager, if so directed by the Association.
4. **DESIGNATION OF MANAGER.** If the Association employs a community manager to serve as the Association's agent in dealing with G & G, the Association shall indicate below whether or not the community manager is entitled to act on the Association's behalf to request legal services for the Association from G & G.

☒ **Yes**, our Community Manager is authorized to request legal services on our behalf.

☐ **No**, our Community Manager is NOT authorized to request legal services on our behalf.
5. **LEGAL FEES AND BILLING PRACTICES.** You agree to pay by the hour for time spent on your matter by our legal personnel at the rates indicated in the attached Schedule. We will charge you for the time we spend on telephone calls relating to your matter, including calls with you or opposing counsel, which exceed five (5) minutes. (We will not charge you for short telephone calls of less than five (5) minutes).
6. **FEE SCHEDULE.**

See Rate Schedule attached hereto as Exhibit "A" and made a part hereof by this reference.

7. **COSTS AND OTHER CHARGES.**

- a. **In General.** We will incur various costs and expenses in performing legal services under this Agreement. You agree to pay for those costs and expenses in addition to the hourly fees. The costs and expenses commonly include fees fixed by law or assessed by courts and other agencies, long distance telephone calls, messenger and other delivery fees, postage, parking and other local travel expenses, photocopying and other reproduction costs, and other similar items. Except for the items listed on the Rate Schedule, all costs and expenses will be charged at our cost.
- b. **Out of Town Travel.** You agree to pay transportation, meals, lodging and all other costs of any necessary out-of-town travel by our personnel. Out-of-town travel means any travel beyond 25 miles from where the Association is located. You will be billed for 30 minutes of travel time, each way, when an attorney must travel from our office to your community for a meeting. You will also be charged the hourly rates for the time legal personnel spend traveling.
- c. In-Office Photocopying shall be charged at 25¢ per page
Telefax Service (6 or more pages) shall be charged at \$20.00 per document.

8. **BILLING STATEMENTS.** We will send you monthly statements for fees and costs incurred. Each statement will be due within twenty (20) days of its date. All amounts not timely paid will bear interest at the rate of ten percent (10%) per annum.

9. **CONCLUSION OF SERVICES.** When our services conclude, all unpaid charges will immediately become due and payable. After our services conclude, we will, upon your request, deliver your file to you, along with any funds or property of yours in our possession.

10. **DISCLAIMER OF GUARANTEE.** Nothing in this Agreement and nothing in our statements to you will be construed as a promise or guarantee about the outcome of your matter. We make no such promises or guarantees. Our comments about the outcome of your matters are expressions of opinion only.

11. **EFFECTIVE DATE.** This Agreement will take effect when you have returned a signed copy of this Agreement.

12. **ATTORNEY'S FEES AND LITIGATION.** In the event that any action, suit or other proceeding is instituted to remedy, prevent or obtain relief from a breach of this Agreement, or arising out of a breach of this Agreement, the prevailing party shall recover all of such party's attorneys' fees incurred in each and every such action, suit or other proceeding, including any and all appeals or petitions. As used in this Agreement, attorneys' fees shall be deemed to mean the full and actual cost of any legal services actually performed in connection with the matters involved, calculated on the basis of the usual fees charged by the attorneys performing such services and shall not be limited to "reasonable attorneys' fees" as defined in any statute or rule of court.

13. **ARBITRATION.** Any claim, controversy or dispute of whatever nature arising out of or concerning this Agreement shall be resolved by final and binding arbitration according to the Judicial Arbitration and Mediation Services (JAMS) Rules of Practice and Procedure then in effect, except that the parties shall be entitled to only such discovery as is permitted by *Code of Civil Procedure* §1283.05 and any amendment thereto or successor statutes. Judgment on the arbitrator's award may be entered in any court having jurisdiction thereof. Should any party refuse or neglect to appear or participate in arbitration proceedings, the arbitrator is empowered to decide the controversy in accordance with whatever evidence is presented. The arbitrator is authorized to award any party or parties such sums as he shall deem proper for the time, expense, including but not limited to, costs and legal fees, and trouble of arbitration. The arbitration shall be binding on the parties.

**SUN LAKES COUNTRY CLUB ASSOCIATION,
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT
CORPORATION**

Dated: 11/14/22

By: [Signature]
President

Dated: 11/14/22

By: [Signature]
Secretary

GURALNICK & GILLILAND, LLP

Dated: [Signature]

By: [Signature]
Wayne S. Guralnick

GURALNICK & GILLILAND, LLP

ATTORNEYS AT LAW
40-004 COOK STREET, SUITE 3
PALM DESERT, CALIFORNIA 92211

Exhibit "A"

RATE SCHEDULE

November 9, 2022

A. IDENTIFICATION

Client ("You"): Sun Lakes Country Club Association
Matter: Business Matters

B. STANDARD CHARGES

We charge for our time in minimum units of 2/10 hours (twelve minutes).

C. COSTS AND EXPENSES

In-Office Photocopying	\$.25/page
Mileage	\$.35/mile
Telefax Service (1-5 pages)	\$ 10.00/flat fee
Telefax Service (6 or more pages)	\$ 20.00/flat fee

Up to 30 Minutes of Travel Time, each way, at personnel's normal rate for on-site Meetings.
There is no travel tome for virtual meetings.

D. FEE SCHEDULE

Senior Partners	\$405.00/hour
Associates	\$315.00/hour
Paralegals	\$250.00/hour

E. SUBJECT TO CHANGE

The rates on this Schedule are subject to change on ninety (90) days' written notice. If you decline to pay any increased rates, we will have the right to withdraw as your lawyers.

RFP FOR MANAGEMENT SERVICES

SUN LAKES COUNTRY CLUB – FOOD & BEVERAGE OPERATIONS



SUMMARY AND OVERVIEW

Thank you for your interest in Sun Lakes Country Club.

The Sun Lakes Country Club (the Association) Board of Directors is requesting proposals from companies who are both qualified and interested in managing all of the Association's food and beverage operations.

We are excited to receive your proposal and look forward to hearing your thoughts on how a partnership would benefit our two companies.

- Please send **any questions** that you have to gary.burkel@sunlakescc.com no later than **October 9, 2024.**
- No telephone inquiries will be accepted.
- All responses to questions will be provided in writing.
- The Association reserves the right to include questions and responses in the form of written addendums, as it deems necessary.

SUN LAKES COUNTRY CLUB REQUEST FOR PROPOSAL

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SUN LAKES COUNTRY CLUB REQUEST FOR PROPOSAL

I. Confidentiality Agreement

This document, and any attachments thereto, regardless of form or medium, is intended only for use by the addressees and may contain confidential information. In no event shall this document be delivered to anyone other than the intended recipient. The Association, at its discretion, may require the execution of a written non-disclosure agreement by vendors prior to providing requested information in connection with the Request for Proposal.

II. Submission Deadlines

The anticipated schedule for this request for proposal is as follows:

September 9 -13	Contact interested parties
September 9 -13	Issue RFP to interested vendors
September 23 - 27	Vendor walk through, site visit
October 9	Deadline for submitting questions
October 31	Proposal deadline
November 11 - 15	Proposal review, interviews
November 18 - 22	Contract negotiations and finalization
November 30	Board awards contract
January 1, 2025	Contract commencement

This proposed schedule is subject to change at the discretion of the Association.

III. Introduction and Executive Summary

Sun Lakes Country Club is a gated active adult community in the San Geronio Pass area of Riverside County. The 55+ community includes 3,327 homes, condominiums and patio homes, offering prestigious resort-style living including two private 18-hole golf courses spread across 1,000 gently rolling acres. Sun Lakes Country Club is in the city of Banning in Southern California near mountains, lakes, desert, beach, shopping and other world-class facilities. The city of Banning is located 30 miles west of Palm Springs and is at an elevation 1,870 feet higher with the effect that the area is approximately 15 degrees cooler in the summer than Palm Springs.

The active lifestyle community includes incredible amenities for our residents including three clubhouses. The Main Clubhouse hosts a large outdoor pool, covered veranda, fitness center, two libraries, billiards room, an arts and crafts studio, multipurpose meeting rooms and a

SUN LAKES COUNTRY CLUB REQUEST FOR PROPOSAL

grand ballroom. Just outside of the clubhouse, you will find a golf pro shop, and pickleball and pop tennis courts.

The Association's food and beverage operation is located in the Main Clubhouse and offers both casual and fine dining in a friendly environment. Live music and entertainment are provided in a recently (2024) remodeled upscale bar and lounge, and during summer months, on a large outdoor veranda. Special events and banquets are held in the Ballroom. The Sandwedge is a casual dining "Sports Bar" alternative with indoor and outdoor seating, wall-mounted televisions, and bar. The Main Clubhouse facilities include a full-service commercial kitchen with direct access to all the restaurant and bar venues.

The North Clubhouse includes a beautiful outdoor pool, fitness center, meeting room, kitchenette and golf pro-shop. Adjacent to the clubhouse are tennis, pickle ball and bocce ball courts.

The South Clubhouse has an indoor pool, fitness center, kitchenette and meeting room along with a spacious patio that overlooks the tennis courts.

For the golfing enthusiasts, there are two private, immaculate and challenging golf courses, as well as a pristine driving range. The finely manicured fairways meander through the Sun Lakes neighborhoods and offer golfers breathtaking views of the towering San Gorgonio and San Jacinto Mountains. The 18-hole Sun Lakes Course is a challenging 7,017-yard, par-72 championship course. The 18-hole, 3,000-yard, Executive Course is ideal for beginners and experts alike. Only residents of Sun Lakes Country Club and their guests are permitted to play. Resident memberships are reasonably priced and provide unlimited golf.

IV. Scope of Work

The objective of the Request for Proposal is to enter into a contract for full control of the Association's food and beverage operations. The contract term will be one year with an annual evergreen renewal provision and terms that allow either party to terminate the contract within an agreed upon notice period.

- Have full control of all food and beverage operations within all available venues of the Association.
- Use of the Association's alcohol license with ownership maintained by the Association.
- Provide consistent availability of services to members with operating hours agreed to with the Association.
- Maintain the facilities in such a way that they are clean, organized, and reflect an atmosphere that is consistent with a true country club.
- Annual revenue of the Associations Food & Beverage operation was \$1,857,000 in 2023 and \$1,704,000 in 2022.

SUN LAKES COUNTRY CLUB REQUEST FOR PROPOSAL

- Demonstrate the use of resources critical to effective management of food and beverage operations. Resources/responsibilities to include:
 1. Depth of experienced management.
 2. Management and employment of all food and beverage employees.
 3. Utilize software, including a point-of-sale system, for management of operations and financial results by venue and/or event. System must integrate with the HOA POS/Accounting System.
 4. Use a purchasing system with documented controls.
 5. Control of cost of goods sold within budget and standard industry performance metrics.
 6. Manage labor cost within budget and standard industry performance metrics.
 7. Establish and maintain Inventory control systems.
 8. Have volume purchasing in place.
 9. Manage event planning and analysis.
 10. Provide timely financial reporting of the results of food and beverage operations in a format agreed upon with the Association.
 11. Integrate with other departments and administrative management.
 12. Create and implement an ongoing out-reach to community members to increase current usage of food and beverage facilities. This must include effective marketing and advertising with particular emphasis on electronic marketing and communication with customers (i.e., social media).
 13. Work in unison with Golf Course Management to increase golfers' usage of food and beverage facilities.

V. Scope of Work – Vendor Required Information

Background information regarding your company and your plans for the food and beverage services should include, but is not limited to, the following:

1. Provide type of entity and headquarters' address.
2. Number of years in business.
3. Is the Company or parent publicly traded and if so, what is the stock symbol?
4. Total number of properties currently managed.
5. Total number of properties managed where only food and beverage is managed.
6. Description of your company's business approach including operational and marketing strategies, staffing plans, customer service plans, facility management plans, and any other pertinent information that would enable the Association to assess your proposal.

SUN LAKES COUNTRY CLUB REQUEST FOR PROPOSAL

7. Your proposed plan for advertising, marketing and promoting the food and beverage operations within the Sun Lakes Community.
8. Audited/reviewed financial statements.
9. Name of the person(s) who will be responsible for your company's operation at the Association's facilities.
10. Plan for hiring/retaining/terminating employees of the current vendor.
11. Your proposed financial terms/fees for managing the Association's food and beverage operation.
12. Does your Company provide any discretionary services for which additional fees are charged?
13. Do you have regional offices, if so where are they located?
14. Include statement of insurance coverage maintained by vendor including employment, commercial liability, automobile and errors and omissions insurance.
15. Describe, in detail, financial accounting processes and monthly financial reporting with respect to food and beverage operations.
16. Abbreviated business plan describing each venue's ambiance, sample menus and marketing approach.
17. Acquire licensure and permits to comply with statutes and requirements of the State of California, the County of Riverside and/or the City of Banning.
18. Demonstrate adequate financial strength to sustain operations and provide reasonable working capital as may be necessary.
19. Provide three (3) customer references for similar size and scope of work HOA's or similar food and beverage operations.
20. Any other information that will enable the Association to make an objective decision.

VI. Proposal Submittal

Provide five (5) bound copies and one (1) electronic copy on a thumb drive no later than **October 31 by 5:00 pm**. The original copy must be signed by a representative authorized to legally bind the company. Proposals submitted by facsimile or email or those submitted after the date and time will not be considered.

The complete proposal package shall be placed in a sealed envelope or box labeled "Proposal for Sun Lakes Country Club Food & Beverage Operations" and clearly identified with the name and address of the Proposer on the outside.

SUN LAKES COUNTRY CLUB REQUEST FOR PROPOSAL

Deliver completed proposals to:

**Sun Lakes Country Club
Attn: Gary Burkel, SLCC Treasurer
850 Country Club Dr
Banning, CA 92220**

The Association may, at its sole and absolute discretion, reject any and all or parts of any or all responses, accept parts of any and all responses, further negotiate project scope and fees, postpone or cancel at any time this solicitation process, or waive any irregularities in this solicitation or in the responses received as a result of this process.

The Association reserves the right to request and evaluate additional information including background and financial standing of any respondent after the submission deadline as the Association deems necessary.

All proposals submitted in response to the RFP become the property of the Association. Information in the proposal, unless specified as trade protected, may be disclosed to the Association's membership.