

A G R E E M E N T

THIS AGREEMENT is made and entered as of the date set forth on the signature page, below, by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado, through and on behalf of its Department of Aviation (the “City”), and **CAPITAL HOTEL MANAGEMENT LLC** a limited liability company organized under the laws of the State of Massachusetts, and authorized to do business in Colorado (“Consultant”).

W I T N E S S E T H:

WHEREAS, the City owns, operates, and maintains Denver International Airport (“DIA” or the “Airport”); and

WHEREAS, the City and Consultant entered into a written Contract # 201414896 dated November 24, 2014 (“Existing Agreement”) wherein the Consultant agreed to perform certain duties and responsibilities relating to the management of the Westin at Denver International Airport (the “DIA-Westin”); and

WHEREAS, the City now wishes to add additional term and modify the scope of the to the Existing Contract with this First Amendment; and

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the parties hereto agree as follows:

1. Paragraph 1, Line of Authority, is hereby deleted in its entirety and replaced with the following:

1. LINE OF AUTHORITY: The City’s Chief Executive Officer of the Department of Aviation (CEO), her designee or successor in function (hereinafter referred to as the “CEO”) authorizes all work performed under this Agreement. The CEO hereby delegates her authority over the work described in this Agreement to the Director of the Hotel and Transit Center (the “Director”), as the CEO’s authorized representative for the purpose of administering, coordinating, and approving work under this Agreement. The Consultant shall submit its reports, memoranda, correspondence and submittals to the Director.

2. Any reference in the Existing Agreement to the Manager is hereby replaced with CEO.

3. Any reference in the Existing Agreement to the Deputy Manager is hereby replaced with Director.

4. Paragraph 2(A), of the Professional Services section, titled General, is hereby deleted in its entirety and replaced with the following:

A. General: The Consultant will provide task based professional services relating to the operation of the DIA-Westin hotel. Written tasks shall be

issued by the Director and shall be related to the duties as more fully described in *Exhibit A* (“Scope of Services”). If mutually agreed to by the parties, the Director may issue additional tasks which are within the general scope of this Agreement, but may fall outside of the specific duties set forth in *Exhibit A*. Payment for all work shall be in accordance with schedules and budgets to be mutually agreed upon.

5. Paragraph 3(A), of the Compensation and Payment; Maximum Contract Liability section, is hereby deleted in its entirety and replaced with the following:

A. Notwithstanding any other provision of the Agreement, the City’s maximum payment obligation will not exceed Eight Hundred Seventy Five Thousand Dollars \$875,000.00 (the “Maximum Contract Amount”). The City is not obligated to execute an Agreement or any amendments for any further services, including any services performed by Consultant beyond that specifically described in *Exhibit A*. Any services performed beyond those in *Exhibit A* are performed at Consultant’s risk and without authorization under the Agreement.

6. Paragraph 5, Term, is hereby deleted in its entirety and replaced with the following:

5. **TERM:** The term of this Agreement shall commence on November 1, 2014 and shall terminate on October 31, 2019, unless terminated earlier in accordance with this Agreement. The City, in the Director’s sole discretion, may elect to extend the term of this agreement for two additional one year periods. The election to extend, shall also extend all terms and conditions of the agreement and be memorialized in a writing issued to the Consultant by the Director. Should for any reason the Term expire prior to the completion by Consultant of a task, then in the CEO’s sole discretion, this Agreement shall remain in full force and effect to permit completion of any work that was commenced prior to the date that otherwise would have been the termination date.

7. Exhibit A, Scope of Services, which was attached to the Existing Agreement is hereby deleted in its entirety and replaced with the attached Exhibit A.

8. Except as modified by this First Amendment, all of the terms and conditions of the Existing Agreement shall remain in full force and effect.

9. This First Amendment to the Existing Agreement shall not be effective or binding on the City until approved and fully executed by all signatories of the City and County of Denver.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Contract Control Number: PLANE-201414896-01

Contractor Name: CAPITAL HOTEL MANAGEMENT LLC

By: 

Name: Chad L. Crandell
(please print)

Title: Managing Director / CEO
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)



Contract Control Number:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL

CITY AND COUNTY OF DENVER

ATTEST:

By _____

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

By _____

By _____

By _____



Exhibit A

Scope of Services

All work completed under this scope of services shall be task based. The Consultant agrees to begin work immediately after receiving a written task authorization from the Director.

- Provide up to date knowledge of factors affecting markets and submarkets associated with the hotel, including demographics and changes in supply and demand.
- Review operating and quality assurance standards and financial performance on a quarterly basis. Advise the DIA and Marriott of Marriott's compliance.
- Participate in annual operating and capital budget discussions with Marriot to monitor and assess methodologies utilized in annual planning. Review, analyze and make recommendations relative to the annual and monthly budget performance.
- Review and assess methodologies employed in ensuring forecast accuracy, benchmarking of labor resource standards and service and cost containment initiatives. Participate in on-going discussion regarding additional capture of revenue from both in-house and local market patronage.
- Prepare market analysis and assist in evaluating the possibility of additional airport hotel development. Use research, industry analysis/benchmarking, accounting, hotel financial analysis and computer modeling fundamentals to analyze hotel operations, hotel business plans, hotel capital investments, sales and marketing plans and strategic alternatives.
- Provide general hotel advisory services to address issues, including (but not limited to)
 - Chain services
 - Brand standards
 - Performance benchmarking
 - Marriott Starwood merger implications
- Receive and review monthly presentations and meeting notes from Owner meetings to stay informed and provide input when needed.
- Complete other Hotel related tasks as assigned in writing by the Director.