

17 January 2008

Civilian Personnel  
Canteens for Local National Personnel

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\*This regulation supersedes AE Regulation 690-81, 18 February 2003.

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For the Director:

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**Summary.** This regulation—

- Provides information on establishing on-post, contractor-operated canteens to provide daily meal services for local national (LN) employees.
- Provides a model contract that explains the rights and obligations of the contractor and the U.S. Army for establishing and operating canteens.
- Has been approved by the Head Works Council, USAREUR, under the codetermination procedure in the *Bundespersonalvertretungsgesetz* (Federal Personnel Representation Law), section 69 and section 76, paragraph 2, number 8. The Head Works Council's approval of this regulation does not eliminate the requirement for initiating and executing the codetermination procedure with the responsible local works council when establishing a canteen.

**NOTE:** The German version of this regulation (AE Reg 690-81-G) is the governing directive.

**Summary of Change.** This revision—

- Changes proponentcy of this regulation from the USAREUR G1 (AEAGA-CL) to IMCOM-Europe (IMEU-HRD-L).
- Incorporates only administrative changes.

**Applicability.** This regulation applies to U.S. Army installations in Germany. It does not apply to dining facilities that are exclusively operated for the U.S. workforce. The term “LN employees” in this regulation includes USAREUR Civilian Support employees.

**Supplementation.** Organizations will not supplement this regulation without IMCOM-Europe (IMEU-HRD-L) approval.

**Forms.** AE and higher level forms are available through the Army in Europe Publishing System (AEPUBS).

**Records Management.** Records created as a result of processes prescribed by this regulation must be identified, maintained, and disposed of according to AR 25-400-2. Record titles and descriptions are available on the Army Records Information Management System website at <https://www.arims.army.mil>.

**Suggested Improvements.** The proponent of this regulation is IMCOM-Europe (IMEU-HRD-L, DSN 370-3178). Users may suggest improvements to this regulation by sending DA Form 2028 to IMCOM-Europe (IMEU-HRD-L), Unit 29353, Box 200, APO AE 09014-0200.

**Distribution.** C (AEPUBS).

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## 1. PURPOSE

This regulation prescribes policy and procedures for establishing on-post canteens operated by a contractor to provide daily meal services for local national (LN) employees.

## 2. REFERENCES

- a. AR 25-400-2, The Army Records Information Management System (ARIMS).
- b. AE Regulation 690-81-G, *Kantinenbetrieb für ortsansässige Arbeitnehmer*.
- c. AE Form 2028, Recommended Changes to Publications and Blank Forms.

### 3. EXPLANATION OF ABBREVIATIONS AND TERMS

#### a. Abbreviations.

AE	Army in Europe
HQ USAREUR/7A	Headquarters, United States Army Europe and Seventh Army
IMCOM-Europe	United States Army Installation Management Command, Europe Region
LN	local national
U.S.	United States
USAREUR	United States Army Europe

#### b. Terms.

##### licensee

The operator of an approved (contracted) dining facility (canteen) for LN employees.

##### U.S. Army

The installation commander or responsible representative of the U.S. Forces.

### 4. POLICY

At installations of the U.S. Forces in Germany, a dining facility (canteen) for LN employees will be established within the installation area if required to provide working conditions similar to those provided for employees of the German Public Service or private industry. If local conditions allow, the installation commander or the responsible representative of the U.S. Forces will approve the establishment of a dining facility on the installation when off-post dining facilities are too far to be reached during lunchtime or do not offer adequate meals and drinks.

a. Based on this regulation and local conditions, the U.S. Army will support the operation of a canteen to the maximum extent possible within the limits of U.S. laws and regulations.

b. To the maximum extent, the licensee will use his or her own equipment. U.S. Army-owned utensils and equipment will be lent to the licensee at no cost only when necessary. If equipment or utensils must be replaced or bought, the contract parties must agree on who will pay.

c. Individual contracts must conform to the model contract (fig 1) unless HQ USAREUR/7A has authorized deviation from the model contract.

### 5. RESPONSIBILITIES

The U.S. Army will—

a. Develop the canteen contract in accordance with the model contract in this regulation (fig 1) with consideration of local conditions.

b. Ensure the codetermination procedure is conducted with the responsible works council.

c. Through inspections that are conducted at least once a year, ensure the licensee complies with applicable German laws and ordinances as well as with the U.S. hygiene regulations that have been made known to the licensee. Inspections for special causes are possible at any time.

d. Approve installation of vending machines if—

(1) No canteen has been established on a U.S. Army installation.

(2) Individual organizations on larger U.S. Army installations are too far from the canteen to have a meal within the break period.

## **6. VENDING MACHINES**

**a. Authority.** The U.S. Army may enter into a vending-machine contract (for example, for beverages, food, snacks) with a concessionaire under the following conditions:

(1) No canteen is available for the LN workforce and there is no possibility to establish a canteen.

(2) Private or commercial dining facilities are not available outside the U.S. Army installation, are too far from the workarea, or are inadequate to provide food or beverages to LN employees.

### **b. Policy on Acquiring and Operating Vending Machines.**

(1) The U.S. Army and the local works council will jointly determine the need for vending machines and establish the conditions for the contract with a concessionaire.

(2) The concessionaire will install vending machines at the location chosen by the U.S. Army. Installation costs and operating expenses will be borne by the concessionaire without reimbursement from the U.S. Army. The U.S. Army will pay only the costs for water or electricity required for operating the vending machines.

(3) Maintenance and repair costs for vending machines will be paid only by the concessionaire. The costs for damages caused by the installation or removal of vending machines are the responsibility of the concessionaire. The concessionaire may be reimbursed for repair expenses only when the U.S. Army is responsible for the damage.

(4) Only items that are taxed according to applicable German laws will be offered for sale in vending machines.

(5) Only the concessionaire is authorized to refill vending machines. This will be done at no cost to the U.S. Army.

### **c. Sales Profit.**

(1) The U.S. Army and the local works council will negotiate with the concessionaire on the price of items for sale in vending machines.

(2) Only the concessionaire will receive profits from vending-machine sales.

**d. Contract Termination.** The contract for the installation of vending machines may be terminated by either contract party. The termination must—

(1) Be in writing, but need not indicate why the contract is being terminated.

(2) Provide a notice period of at least 1 month.

**e. Existing Contracts.** The provisions of existing vending-machine contracts that do not correspond to the policy in this regulation must be revised and modified accordingly.

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## CONTRACT

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The U.S. Army, represented by \_\_\_\_\_, authorizes Firm/Mr./Mrs. \_\_\_\_\_ (referred to as the "licensee") to establish and operate a dining facility (canteen) on the U.S. Army (*name of installation*) installation at \_\_\_\_\_ under the following conditions:

### PART I - GENERAL TERMS

1. The licensee will establish and operate a canteen in the area of \_\_\_\_\_ in building \_\_\_\_\_ for the purpose of serving hot and cold meals as well as other food items and drinks for resale and consumption.
2. The licensee is not an employee or agent of the U.S. Army, and no financial payments of any kind will be made by the U.S. Army to the licensee for operating the canteen. The licensee is not authorized to subcontract the business or facility (completely or partially) to a third party.
3. The licensee acknowledges that all undertakings and decisions of the U.S. Army related to this contract are subject to works council codetermination before implementation. The licensee also acknowledges that the U.S. Army is bound, in accordance with the modified *Bundespersönalvertretungsgesetz* as it is in effect at any time, to draft the conditions of this contract only to the extent that the statutory codetermination rights of the works council are not curtailed.
4. The licensee will be given a list of all fixed and portable equipment and other property that is on loan from the U.S. Army (referred to collectively as "U.S. property"). This hand-receipt will describe the condition of the U.S. property at the time of delivery to the licensee and the monetary value of the individual items in U.S. dollars and euros. The hand-receipt (app A) will be attached to the contract and must be signed separately by the licensee. Modifications to U.S. property made by the licensee require explicit written approval of the U.S. Army.
5. The contract will remain in effect indefinitely. Either party may terminate the contract without specifying why. The termination must provide a 6-month notice. Either party may terminate the contract for an important reason with an advance notice of 3 workdays (for example, compelling military reasons prohibiting further use of the premises by the licensee, failure of the licensee to provide appropriate insurance certificates despite numerous reminders, repeated violations of essential contract provisions). The termination notice must be mailed to the other party's German mailing address (app B) by registered letter with return receipt or be delivered in person with a written receipt. The responsible works council will be provided a copy of the notice letter.
6. Failure by the U.S. Army, in individual cases, to enforce strict compliance with contract provisions or failure to require precise execution of the contractual terms does not constitute a waiver of these provisions. The contractual rights of the U.S. Army remain in effect.
7. Changes and amendments to this contract must be in writing. Each party will receive a copy of this contract and any changes to it.

### PART II - SUPPORT PROVIDED BY THE U.S. ARMY

1. The U.S. Army will permit the licensee to use the facility, all fixed equipment, and the U.S. property specified in appendix A free of charge for the purpose of operating the canteen. The licensee does not gain a right to possess these items. The licensee is responsible for maintaining and repairing any equipment and items the licensee provides for operating the canteen. The premises provided by the U.S. Army must be easily accessible and appropriately equipped for handicapped employees.

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**Figure 1. Model Contract**

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2. The U.S. Army will provide the following utilities to the licensee at no cost (a detailed description of the individual utilities is required):

**a. Electricity.** *Indicate whether or not electricity for operating all electrical devices and lights, inside and outside the canteen, as well as for heating and hot water is included.*

**b. Heat and Fuel.** *Indicate which rooms of the canteen must be heated and what type of heating system is used. Also indicate which heating material is provided (for example, oil, gas, wood, electricity, coal, steam) and whether cooking and baking operation is included. Specify that this does not include the personnel needed to operate heating equipment.*

**c. Mechanical Refrigeration.** *Indicate which type of refrigeration will be provided and how it is operated (for example, electrical operation).*

**d. Sanitary Services.** *Specify the type and frequency of refuse collection and the obligation of the licensee to place garbage in special containers, and whether or not sewage connections are required.*

**e. Water.** *Indicate which type of water resources will be provided for operating the canteen.*

3. The U.S. Army and the responsible works council will determine the quantity and extent of utility support under the codetermination procedure. The support will be limited only to that required for the operation and maintenance of the canteen.

4. The licensee will be provided the contractually assured utility support in consideration of the internal regulations and directives of the U.S. Army in effect at any given time, at no cost, as long as budget allocations are available. In case of justified complaints raised by the licensee, the U.S. Army will take remedial measures it deems appropriate. The licensee will be immediately informed of temporary curtailment of the utility support for technical reasons. When the licensee suffers financial losses caused by unforeseeable curtailment of individual utility support items, the U.S. Army will be liable only in cases of deliberate actions or gross negligence of its employees.

### **PART III - CANTEEN OPERATIONS**

#### **1. Opening Hours, Holiday, and Leave Provisions.**

a. The canteen will be open for operation on workdays, Monday through Friday, from \_\_\_\_\_ to \_\_\_\_\_.

b. The canteen will also be open for operation on Saturday, Sunday, and holidays from \_\_\_\_\_ to \_\_\_\_\_.

c. In coordination with the works council, the U.S. Army may, in exceptional cases, demand that the licensee provide food at times other than those agreed to in the contract.

d. The canteen will be closed on German and American holidays unless a special arrangement has been made (b above).

e. Closing the canteen during the licensee's vacation will not exceed a continuous period of \_\_\_\_\_ days in a calendar year and will be coordinated with the U.S. Army and the responsible works council \_\_\_\_\_ days in advance.

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### **Figure 1. Model Contract (Continued)**

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f. Other closures that may be required on short notice must be reported to the U.S. Army without delay and state the reason for the closure.

g. The opening hours must be prominently displayed outside the canteen.

## **2. Conditions of Sale.**

a. The canteen will cater primarily to LN employees employed by the U.S. Army. The licensee will offer food and beverages in sufficient quantity and of satisfactory quality. When the seating space in the canteen and the production capacity of the canteen kitchen permit, the U.S. Army may authorize U.S. personnel to use the canteen. Eligible customers who bring their own provisions will also be authorized to use the canteen.

b. Between the hours of \_\_\_\_\_ and \_\_\_\_\_, at least one hot main course will be offered for sale.

c. Alcoholic beverages only in the form of wine and beer may be sold from \_\_\_\_ to \_\_\_\_\_. Other alcoholic beverages will not be offered for sale.

d. A weekly menu with sales prices for the following week will be prepared and prominently displayed outside or inside the canteen.

e. The licensee may install vending machines for food and cigarettes inside the canteen. Installation outside the canteen requires prior written approval of the U.S. Army.

f. The U.S. Army, in agreement with the works council, may require or prohibit the sale of specific items. The licensee will be informed of the reasons.

## **3. Sales Prices.**

a. Prices for food, beverages, and other items offered for sale are to be set by mutual agreement between the works council, the U.S. Army, and the licensee. The licensee must submit the necessary documents and evidence for establishing individual sales prices.

b. A list showing all items offered for sale and their current prices will be prominently displayed in the canteen. The licensee will not demand a service charge.

c. All items, food, and beverages will be sold for immediate payment only.

4. The licensee will take immediate remedial action to correct faulty conditions and sources of complaints made known to the licensee by the U.S. Army or the works council if the remedial action is within the authority of the licensee. In case of doubt, the U.S. Army and the works council will determine the justification of complaints and efficiency of remedial action taken. For investigation of such cases, representatives of the U.S. Army and the works council will be granted access to all areas of the canteen at any time.

## **PART IV - RESPONSIBILITIES OF THE LICENSEE**

1. The licensee is aware that strict observation of the following provisions is a prerequisite for awarding the contract and its continuing validity. The licensee understands that noncompliance with these provisions may cause the contract to be terminated.

a. The licensee is solely responsible for compliance with all German laws, ordinances, and regulations that apply to the operation of the canteen.

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### **Figure 1. Model Contract (Continued)**

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b. The licensee is subject to inspections by the responsible German controlling authorities (for example, business practice control commission, trade control office) and also agrees to inspections by the appropriate control authorities of the U.S. Army.

c. The licensee will allow representatives of the U.S. Army and the works council access to the accounting books for inspection at any time.

d. The licensee may employ only personnel who meet security and health requirements of the U.S. Army. The licensee is responsible for ensuring that the employees who prepare meals and drinks and handle food items undergo a medical examination at the licensee's expense before they are appointed. The medical certificate concerning the sanitary permission for the employee who handles food items must be submitted to the U.S. Army and the works council before the employee is appointed. Persons with contagious diseases will not be employed anywhere in the canteen. The costs for required medical examinations for catering personnel during their employment will be borne by the licensee.

e. The licensee will also carry full responsibility for the orderly conduct of canteen employees on U.S. Army installations. The U.S. Army reserves the right to deny entry to U.S. Army installations to any person without giving reasons for the denial. To allow for a security check, the licensee must submit the appropriate personal records to the U.S. Army and to the works council before employees are appointed.

f. The licensee will obligate canteen employees not to reveal any official information or official matters concerning the U.S. Forces that may come to their attention during their employment. This also applies after the employment is terminated.

g. The licensee agrees to use the space and utilities provided by the U.S. Army only to the extent economically necessary and will observe measures to conserve energy. At all times, the licensee will maintain the premises and U.S. property in a clean, safe, and operable condition in accordance with pertinent safety and hygiene regulations. Normal fair wear and tear is excepted. No U.S. property may be removed from the premises without the express written consent of the U.S. Army. The licensee will allow U.S. Army inspections for this purpose at any time.

h. Without express prior written approval of the U.S. Army, the licensee may not make structural alterations to U.S. Army facilities.

i. The licensee is responsible for paying all German taxes and other fees resulting from the operation of the canteen. Furthermore, the licensee is obligated to observe German customs provisions and corresponding U.S. Army regulations, and will not buy, trade, or sell U.S. food products or beverages or other tax-exempt items.

j. The licensee is liable for the loss, damage, and destruction of U.S. property and bodily injuries when caused by the licensee, canteen employees, or other people acting on the licensee's behalf. This liability includes damages caused by the installation, removal, or use of vending machines ordered by the licensee.

k. The licensee is obligated to maintain sufficient insurance against fire, theft, bodily injury, and property damage during the entire contract period. Before business commences, the licensee must provide the U.S. Army and the works council all applicable insurance certificates. The insurance for the U.S. Army-owned building and for U.S. property lent to the licensee must bear the U.S. Army as the policyholder. The licensee will pay the insurance premium for all insurance plans. The licensee will inform the U.S. Army in writing of every change to the scope of the insurance without delay and before the changes go into effect.

2. As soon as this contract is terminated, the licensee will immediately remove all licensee-owned property and equipment, clean the premises at the licensee's expense, and deliver the premises to the U.S. Army in a clean, orderly condition. Deficiencies found during the transfer of premises will be corrected at the licensee's expense to the extent they resulted from acts of or neglect by the licensee, canteen employees, other persons acting on the licensee's behalf, or contractors hired by the licensee.

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### Figure 1. Model Contract (Continued)

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3. The portable U.S. property lent to or used by the licensee will be returned to the U.S. Army in a clean and working condition. If loss or damage is caused by the licensee, the necessary repair of equipment or replacement of lost items will be effected at the licensee's expense. The licensee will not offer any kind of reimbursement for such expenses to a successor or accept reimbursement from the successor. Damages to or defects of U.S. property for which neither the licensee nor the licensee's associates are responsible will be corrected at U.S. Army expense.

4. This contract will go into effect on \_\_\_\_\_.

\_\_\_\_\_  
Location, date

\_\_\_\_\_  
U.S. Army

\_\_\_\_\_  
Licensee

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**APPENDIX A**

The undersigned hereby certifies receipt of the following U.S. property in the condition indicated:

<u>Item</u>	<u>Condition</u>	<u>Quantity</u>	<u>Unit Price</u> (U.S. \$ and €)
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Total:

\_\_\_\_\_  
Location, date

\_\_\_\_\_  
U.S. Army

\_\_\_\_\_  
Licensee

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**APPENDIX B**

German mailing address of the U.S. Army:

Kaserne:

Grade and name:

Street and number:

Postal code and location:

German mailing address of the licensee:

Name:

Street and number:

Postal code and location:

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**Figure 1. Model Contract (Continued)**