

TAB 8

THE SNACK SHOP

March 23, 2021

**ISSUE:** Finalizing the new snack shop contract.

**BACKGROUND:** The community voiced an interest in changing the snack shop vendor. The Board requested business proposals from LHCC association members interested in operating the Clubhouse Snack Shop. Three vendors submitted business plans in January, and were asked to present their plans at the Feb. 3 Board meeting; however, only two businesses attended the meeting. The vote was tabled so the Board could acquire additional information. President Traczyk and Director Melcher conducted a follow-up meeting with each prospective vendor on February 17, at which time, one of the vendors dropped out. At the February 23 Board meeting, The Munchie Duck was selected as the new vendor. In addition, the General Manager, Mike Goodwin, identified the current contract was lacking in specifics for the current vendor to vacate the premises, among other things. President Traczyk, General Manager Mike Goodwin, and Director Elizabeth Hair would work on a new contract to alleviate shortfalls in the old contract.

**SUMMARY:** President Traczyk, General Manager Goodwin, Director Hair and Melissa Rivera Gordon, proprietor of The Munchie Duck, collaborated to write a new contract and it is ready for the Board to vote on.

**RECOMMENDATION/PROPOSED MOTION:**

The Board accept the new contract as written.

**SPONSOR:**

Director Darrell Melcher

2021 LAKE HOLIDAY COUNTRY CLUB SNACK SHOP CONTRACT

I. This contract entered into by Melissa Rivera, proprietor of The Munchie Duck, LLC (the Vendor), and Lake Holiday Country Club, Inc. (the Association), establishes the relationship between the two parties as it pertains to the provision of a snack shop and its operations within the clubhouse owned by Lake Holiday Country Club, Inc.

This contract is entered into on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

II. PARTICULARS:

- A. The Association owns certain real property in Lake Holiday, Cross Junction, Virginia, identified as the common area land parcel that includes the clubhouse, marina, picnic area, beach, and parking lot.
- B. Melissa Rivera is the Owner of and primary contact for The Munchie Duck, LLC.
- C. The General Manager shall be the primary contact for the Association.
- D. The Vendor shall provide the members of the Association with a snack shop located within the premises of the clubhouse, on the bottom floor kitchen/game room area.

III. BOTH PARTIES AGREE TO THE FOLLOWING CONDITIONS as evidenced by the signatures of the parties hereto:

- A. RELATIONSHIP: The Vendor shall operate solely as an independently owned business with no employee relationship to the Association. As such, the Association is not required to provide benefits, insurance, etc., to the Vendor or its employees.
- B. PERIOD OF PERFORMANCE: Performance begins on the date listed above and continues for a period of one (1) year, but not to exceed three (3) years, with the Vendor having first right of refusal each year. After the three-year period, the Association and Vendor may sign a new contract. If both parties are in agreement, this contract may be altered at any time. All amendments / modifications shall be valid only if in writing and signed by both parties.
- C. DESCRIPTION OF PRODUCTS AND SERVICES PROVIDED BY THE VENDOR: At a minimum, the following products shall be made available: groceries, snacks, beverages, salads, sandwiches, ice cream and fishing supplies. The Vendor may supply an ice machine for the sale of bagged ice and a soda vending machine. All products made available at the snack shop will be at the discretion of the Vendor. Additional services may be provided by the Vendor with permission provided by the General Manager. Examples of additional services may be: café tables, etc., located within the near perimeter of the snack shop; activities for the families of the Association members; sales at a table and tent during special occasions outside of Activities Committee events.
- D. HOURS OF OPERATION: At a minimum, the snack shop shall operate on Fridays, Saturdays, Sundays, and holidays between Memorial Day and Labor Day (also known as the summer season), unless deemed otherwise by mutual agreement of both parties. The hours will be flexible and determined by the observed and requested needs of the members of the Association but will be within the range of at least 8:00 a.m. to 10:00 p.m. The Vendor may choose to operate additional hours and/or days at their own discretion.
- E. PAYMENT: The Vendor shall pay \$200.00 per month to the Association for the rented space, which will be due on the first of each month except during build up for opening of snack shop for a period of 60 days. Therefore, rent will start 1 June 2021. Payment shall be made payable to Lake Holiday Country Club, Inc. and paid to the Lake Holiday County Club Office or General Manager.

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### F. RESPONSIBILITIES OF THE VENDOR:

1. The Vendor shall own and operate a snack shop at Lake Holiday and manage and supervise the day-to-day responsibilities of the operation and its employees.

2. The Vendor shall obtain all permits/licenses required for snack shop operations. All permits and licenses will be obtained at no cost to the Association. Permits and licenses shall be posted on-site.

3. The Vendor shall comply with all federal, state, and county laws and ordinances in the operation or the snack shop.

4. The Vendor shall maintain appropriate standards of cleanliness in accordance with federal, state, and county requirements. The Vendor will maintain a quality appearance in conformity with the members' expectations at Association facilities.

5. The Vendor shall be responsible for all state and federal employment taxes and worker's compensation for any snack shop employees.

6. The Vendor shall comply with all rules and regulations (to include conduct) of the Association and shall be responsible of payment of all fines related to breaking these rules by the Vendor and its employees in relation to operation of the snack shop.

7. The Vendor shall perform all necessary plumbing, electrical, and ventilation requirements at their own expense and at no cost to the Association. The Association Board, through the General Manager, shall approve all modifications to the snack shop.

8. The Vendor understands that all items will be sold within the snack shop area except on the days that the Snack Shop is listed as a vendor for Lake Holiday events. However, the Vendor may provide delivery service to members.

9. The Vendor understands that other Association activities and private member events may be conducted at the clubhouse and surrounding facilities during the snack shop's hours of operation and the Vendor agrees to make all efforts to not unreasonably interfere with those events.

10. The Vendor agrees not to use the Association's name or trademarks as an indication the Association is a sponsor in connection with publication, advertising, marketing, or in any other manner without the prior approval of the Association.

IV. INSURANCE: The Vendor agrees to maintain all necessary insurance against all claims for bodily injury or death of any person or persons, whether or not employed by the Vendor, which may arise from any activity associated with the snack shop. The required insurance will be a public liability/property damage policy with minimum comprehensive coverage of \$1,000,000. The Association must be named in said policy as an additional insured. The Vendor will submit a Certificate of Insurance to the Association no less than 10 days prior to the beginning of operations. No changes to this insurance policy, in relation to operation of the snack shop, may occur without 30 days prior written notice provided to the Association. The Vendor shall be responsible for payment of any additional rider required on the Association's policy.

V. INDEMNITY: The Vendor shall hold the Association harmless from any and all claims for bodily injury, sickness, disease, or death, and any property loss or damage that may arise from activities associated with the snack shop construction, maintenance, operations and acts of nature, caused in whole or in part by an act or omission of the Vendor, its agents, subcontractors, or employees, including any and all expenses, legal or otherwise, incurred by the Association in the defense of any claim or suit arising out of this contract. The Vendor is not responsible for any existing issues or property damages associated with the snack shop.

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VI. DAMAGES: The Vendor assumes full responsibility for the acts of its employees using Association facilities and agrees to reimburse the Association for any and all damages to the facilities, equipment, and fines for violation of Association's rules and regulations.

### VII. RESPONSIBILITIES OF THE ASSOCIATION:

- A. The Association shall provide the rented space for a fee of \$200.00 per month.
- B. The Association shall provide electricity, water, and sewer service at no cost to the Vendor.

VIII. LOSS OF PROPERTY: The Association shall accept no responsibility for theft or other loss of money, valuables, and/or personal effects of the Vendor or their employees. The Association shall accept no responsibility for the loss or damage to the property, fixtures and/or equipment owned by the Vendor.

### VIII. TERMINATION:

A. If the Association identifies a deficiency at any point within the timeline of this contract, the Vendor may be provided a 30-day opportunity to remedy the deficiency. If the Vendor fails to do so within the 30 days, the Association has the right to terminate the contract without consent of the Vendor. If the Vendor is unable to remedy within the 30 days and identifies so to the General Manager, the Board (through the General Manager) may provide relief at the Board's discretion. However, the Association may terminate this contract, in whole or in part, with or without showing cause upon providing a 30-day written notice to the Vendor.

B. The Vendor may terminate this contract without cause upon providing a written 30-day notice to the Association during the summer season; a two-week written notice otherwise. The Vendor will be required to provide service during the termination notice timeframe.

C. The Association, at its own discretion, may immediately terminate this contract at any time if the Vendor engages in illegal conduct or acts. If the Vendor's employee engages in an illegal conduct or act, the Vendor will immediately terminate the said employee.

D. Upon completion of termination notice timeframe, the Vendor will have 2 weeks to remove, in their entirety, all trade fixtures, equipment, supplies, and products owned by the Vendor.

X. REMEDIES: If either party fails in the performance of their obligations under this contract, the aggrieved party shall have the right to pursue remedies available to that party, including rescission of the contract, an action for damages resulting from breach or specific performance. The prevailing party shall have the right to recover their costs and reasonable attorney's fees that result from the proceedings. However, neither party shall be entitled to pursue any claim or remedy under this contract unless they have given notice of the claimed breach to the other party and allowed thirty (30) days to remedy such breach.

XI. MUTUALITY: This contract was drafted with the cooperation of both parties and both parties are aware that they may consult with counsel regarding the terms of this contract. Neither party shall be entitled to claim the benefit of any ambiguity resulting from the drafting herein.

XII. PARTIAL INVALIDITY; SEVERABILITY: This contract shall not be invalid as a whole because any of its provisions are, or hereafter are, declared illegal.

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XIII. BINDING EFFECT: This Lake Holiday Country Club Snack Shop Contract shall be binding to all parties identified herein.

SIGNATURES:

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MELISSA RIVERA (VENDOR)

DATE

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THE ASSOCIATION (MIKE GOODWIN, ASSOCIATION GENERAL MANAGER)

DATE