



**Memorandum Circular No. 2021- 05**

TO : ALL MEMBERS and INTERESTED PARTIES  
 FROM : THE BIDS & AWARDS COMMITTEE  
 DATE : February 4, 2021  
 SUBJECT : **TERMS OF REFERENCE (TOR) for CONCESSIONAIRE**

**THE MANAGEMENT AND OPERATION  
 OF THE FOOD & BEVERAGE SERVICES for SELECTED VENUES  
 at  
 VALLEY GOLF & COUNTRY CLUB, INC.**

**1.0 BACKGROUND**

Valley Golf & Country Club, Inc., (the “CLUB”), is an exclusive, non- profit sports and leisure club located at Don Celso Tuason, Ortigas Ave. Extn., Cainta Rizal. It has a wide range of sports and training facilities, banquet halls, function rooms as well as other amenities such as a spa, and restaurants which are operated by concessionaires.

The management of the CLUB is guided by its vision that states in part - “We shall be a world-class golf and country club. We shall provide complete facilities to service the golfing and recreational needs of all our members, their families and guests.”

The CLUB has a total of 1594 shares. As of December 31, 2019, there are 1969 members (1594 Proprietary, 226 Corporate Representative, 135 Playing Guests, 13 Associate, 1 Social Member). A member’s club privileges are extended to his/her dependents which include his/her spouse and children aged 21 and below. There are a total of 270 active dependents. Members’ guests are allowed access into the facilities provided they are accompanied and/or sponsored by the club member.

The most patronized areas of the CLUB, aside from golf, are its food and beverage and restaurant facilities. The CLUB has the following food and restaurant venues:

1. Main Clubhouse (restaurant open to CLUB Members and accompanied guests only)
2. North Clubhouse
3. **Swimming Pool Area (new)**

Food and beverage within the CLUB is provided by a Food and Beverage Services Provider or a Food and Beverage Concessionaire.

MAIN – ANIX’S	NORTH – JAYJY’S
2017 –PHP 22,777,296.60	19,022,887.54
2018 – PHP 30,088,099.42	20,254,490.69
2019 – PHP 34,201,044.55	22,127,643.89

The Main Restaurant can accommodate as much as 200 pax, the North Restaurant, 100 pax. And both have function rooms that can accommodate more.

In addition to serving the needs of golfing members and their guests, the CLUB services a robust Function schedule.

Saturday, Sunday and holidays are the peak days. And the CLUB does upwards of 7000+ rounds of golf every month.

Peak months are the cool season months of December through March.

The CLUB is offering to interested RESTAURANT CONCESSIONAIRES to: operate, manage and maintain the restaurants and supporting facilities of the CLUB, particularly (α) the RESTAURANT OUTLETS described above and their kitchens, subject to the terms and conditions set forth below in the Terms of Reference; and

## 2.0 TERMS OF REFERENCE

**2.1 EXCLUSIVITY FOR THE CONCESSIONAIRE TO OPERATE THE RESTAURANT OUTLETS-**The CLUB shall allow winning bidder to operate both Main & North Clubhouses **and Swimming pool area.**

**2.2 SCOPE OF SERVICES** – The CONCESSIONAIRE shall perform and/or provide the following services to the CLUB:

2.2.1 **OPERATE, MANAGE AND MAINTAIN The restaurants and kitchen facilities of the CLUB, particularly (α) the RESTAURANT OUTLETS described as follows:**

1. The Main Clubhouse Restaurant
2. The North Clubhouse Restaurant
3. **The Swimming Pool Kitchen**

2.2.2 The CONCESSIONAIRE shall **PROVIDE QUALITY** and **REASONABLY PRICED FOOD** and beverage and efficient food preparation services at the restaurant outlets. In this regard, the CONCESSIONAIRE shall **regularly keep a variety of food selection** belonging to the food concept originally agreed upon by the parties and consistent with the Menus and Price Lists approved by the CLUB. The Concessionaire will make such menu revisions on a **quarterly** basis that reflect the recommendations of management and requests of members.

2.2.3 The Concessionaire shall support the promotional activities of the CLUB, such as but not limited to providing food at negotiated discounts for functions and events that are tendered by the CLUB for its members, and regularly undertake its own promotional activities and programs as well as offer sales packages to increase the income from the operation of the restaurant outlets and enhance patronage and build Club member and guest satisfaction.

**2.3 PRE- OPERATING ACTIVITIES** - Prior to the operation of the restaurant outlets, the Concessionaire shall perform the following preparations.

2.3.1 Prior to the actual operation of the outlets, the CONCESSIONAIRE shall **submit to the CLUB, for the latter's approval, its Operations Manual** against which all operating parameters of the CONCESSIONAIRE would be based, as well as the Menus Price Lists of the outlets it will operate.

**2.4 OUTPUT AND SERVICE STANDARDS** – The CONCESSIONAIRE shall perform its services promptly and with utmost efficiency and reliability, in accordance with the Operating Manual. As an independent contractor, the CONCESSIONAIRE shall have control over the manner, methods, and means of performing its work and services and assume all risks attendant thereto, but strictly comply with the output and service standards of the CLUB. In this regard, the CONCESSIONAIRE warrants and represents as follows:

2.4.1 It will **PROVIDE QUALITY** and **REASONABLY PRICED FOOD** and beverage served to the to the members/guests within the tolerable waiting time for food orders practiced within the F&B industry which is not more than 15 minutes. It will also, if the club

requests, provide a daily fast Golfer's Breakfast and Golfer's Lunch set menus that change daily.

2.4.2 It will provide the **COMPLETE MANPOWER REQUIREMENTS FOR THE FULL OPERATION OF ITS RESTAURANT OUTLETS** that consists of certified chefs, experienced cooks, professional waiters, trained supervisors and captain waiters and other related personnel, who can ensure proper food preparation, quality control and excellent service, and who shall be attired in proper uniforms and shall observe courtesy, proper decorum and good habits at all times;

2.4.2.1 The CONCESSIONAIRE shall, at its own cost, provide its personnel the necessary uniforms and identification cards, and the applicable protective equipment necessary to perform their work competently and safely;

2.4.2.2 The CONCESSIONAIRE shall **ASSIGN A COMPETENT MANAGER** deployed at the Club who shall give his personal attention to the services to be performed under the terms entered into. He/she shall have full power and authority to act on behalf of the CONCESSIONAIRE in all matters pertaining to the terms entered into and he shall coordinate with the CLUB to ensure that the CLUB'S standards are met.

2.4.2.3 All concessionaires should provide biometric scanner at the security barracks near the bridge gate for the checking in and out of all their personnel.

2.4.3 It will **provide all the tableware, cutleries, serving wares, silverware and other necessary and related kitchen equipment and implements;** and

2.4.4 The Concessionaire shall keep the restaurant outlet's" dining, kitchen, and toilet areas therein **CLEAN AND ORDERLY;** manage and collect the garbage from the kitchen and work areas promptly, perform waste segregation regularly and hygienically, and cause their removal from premises of the Valley Golf Club without delay, in accordance with the CLUB'S schedule for garbage disposal; perform fumigation and pest control measures within the restaurant outlets regularly or at least once a month in synchrony with the CLUB'S schedule for fumigation and pest control; and maintain electrical and plumbing fixtures within the assigned venues at its own expense.

2.4.5 The health and well-being of the Members being the highest priority, the Concessionaire warrants that it has and will maintain throughout the term of the CONCESSIONAIRE AGREEMENT an exemplary record of health, hygiene, and food safety. To this end, the Concessionaire shall disclose to the Club all past records, if any, of food safety and food borne illnesses to which it may be connected or if there is none, obtain a certificate from appropriate health agencies of the government that its restaurants have never been involved in any health-related issues.

**2.5 HOURS OF OPERATION** – The CONCESSIONAIRE shall operate its restaurant outlets within the business hours designated by the CLUB that shall coincide with the CLUB'S operational hours.

**2.6 CONSIDERATION FOR CONCESSIONAIRE'S SERVICES AND PAYMENT OF FEES** – For and in consideration of the services to be performed and/or provided by the CONCESSIONAIRE to the CLUB set forth above, the CLUB shall allow the CONCESSIONAIRE the use and the enjoyment of the restaurant outlets and other areas within the premises of the Valley Golf Club, subject to the payment of Fees and other conditions specified in the Sections that follow.

2.6.1 The CONCESSIONAIRE shall pay the CLUB the following Fee:

2.6.1.a A **minimum** monthly Fee of P 10% (**Bidders may propose a higher revenue share**) of gross sales **excluding the 12% VAT**. Unless previously approved by the CLUB, no discount or waiver of charges shall be recognized in the computation of the Fees due to the CLUB;

2.6.2 **Payment System** - The CONCESSIONAIRE shall accept payments as per the system dictated by the CLUB.

2.6.3 **Payment for Utilities** – The CONCESSIONAIRE shall pay all metered electrical, water and direct line telephone charges that are incurred in all restaurant outlets, all kitchen outlets, swimming pool kitchen, work areas and all other areas used by the CONCESSIONAIRE.

Line for separate meters shall be on the account of Valley Golf & Country Club, Inc.

2.6.4 **Payment of VAT, other taxes and Charges** – The CONCESSIONAIRE shall be solely responsible for the payment of any and all national and local taxes, fees and other charges.

## 2.7 OTHER OBLIGATIONS OF THE CONCESSIONAIRE:

2.7.1 The CONCESSIONAIRE shall be solely liable for the conditions, quality, and sufficiency of the food and beverages supplied at its restaurant outlets and shall hold the CLUB free and harmless, and shall fully and unconditionally indemnify the CLUB, its directors, officers, employees and agents against any and all claims, actions damages, penalties, costs and expenses arising from any violation of laws, ordinances or rules and regulations in connection with the performance by the CONCESSIONAIRE of its services. To guarantee the full and faithful compliance by the CONCESSIONAIRE of its obligations as stated above, and protect the CLUB from the liabilities and obligations, financial or otherwise, the CONCESSIONAIRE shall obtain and maintain in full force and effect throughout the term of this AGREEMENT with the CLUB or its renewal, a **comprehensive general liability insurance policy** to be issued by a reputable insurance company acceptable to the CLUB, for an amount of not less than One Million Pesos (P1,000,000.00) as combined single limit for any one occurrence of bodily injury or property damage. **In addition the winning bidder shall provide a performance bond in the amount of One Million Pesos (P1,000,000.00).**

2.7.2 The CONCESSIONAIRE shall NOT **SUBCONTRACT THE SALE OF ANY FOOD OR BEVERAGE** in the restaurant outlets.

2.7.3 The Concessionaire shall **undertake all steps necessary to ensure compatibility and connectivity of its POINT OF SALES (POS) system (software and hardware) to that of the CLUB**, comply with its operating procedures and promptly submit remittance reports and all supporting documents at the end of every work shift. It is understood that the POS hardware shall be supplied by the CONCESSIONAIRE. The CONCESSIONAIRE shall also submit daily, monthly and annual statistical and sales reports in the form prescribed by the CLUB and containing such information as may be required by the CLUB;

2.7.4 The CONCESSIONAIRE will **not borrow and bring out of the CLUB premises** the latter's **equipment and furniture**, nor prepare food within the CLUB for catering

contracts to be serviced outside of the CLUB premises without the express written consent of the President of the CLUB.

2.7.5 CONCESSIONAIRE SHALL SUPPORT THE CLUB IN ITS PROMOTIONAL EFFORTS by providing food at such negotiated discounted prices for parties, tournaments, inaugural celebrations, fellowships, meetings and other similar functions and events that are tendered by the CLUB for its members.

2.7.6 As a further condition for the use and enjoyment of the restaurant outlets and other areas within the premises of the Valley Golf & Country Club, the CONCESSIONAIRE and/or its personnel and guests SHALL STRICTLY OBSERVE AND COMPLY WITH THE CLUB'S RULES AND REGULATIONS AND SECURITY POLICIES. For this purpose, the CONCESSIONAIRE's personnel shall allow themselves to be subjected to bodily searches (in compliance with Philippine law) by the Security Guards of the CLUB, whenever necessary, or to on the spot inspections of their persons and belongings upon their entry to, and departure from, the CLUB's premises.

2.7.7 The CONCESSIONAIRE prior to the award shall submit a creative proposal showing the layout, theme, design, motif or other marketing format for the restaurant outlet operations that it intends to employ if awarded the contract. Such creative proposal shall be included in the criteria for selection.

## 2.8 RIGHTS AND RESPONSIBILITIES OF THE CLUB

2.8.1 Responsibilities of the CLUB.-The Club shall have the following obligations and/or responsibilities under the Concessionaire Agreement:

(a) To turnover to the selected F & B Concessionaire the two outlets' (as per agreement) areas clean and newly painted after having undergone comprehensive pest control servicing and with all presently installed and existing plumbing and electrical lines and systems and utilities in good working order;

(b) To make all necessary repairs and replacements to the utilities, walls, floors, and ceiling structures and keep the utilities functioning efficiently at all times.

(c) To provide janitorial and security services in the common areas and conduct regular fumigation (at the common areas) every three (3) months. The security services shall include the management, control and traffic supervision of the loading/unloading trucks. Monthly and/or more frequent pest control activities shall be conducted by the CONCESSIONAIRE at its expense;

(d) To keep generally clean, safe and secure building grounds and garden in the CLUB's premises;

(e) To provide a POS system connection for the CONCESSIONAIRES;

(f) To provide separate metering for electricity and water for the restaurant and **swimming pool** outlets;

(g) In the case of the restaurant outlets, the CLUB shall remit to the CONCESSIONAIRE its share of the proceeds within forty-five (45) days from the date the CLUB receives the monthly billing statement of the CONCESSIONAIRE.

(h) To market and promote its facilities to CLUB members and include in its communication material the promotional activities, sales programs and packages of the CONCESSIONAIRE, the costs and expenses of which shall be shared by the parties;

(i) To provide the CONCESSIONAIRE with two (2) telephone lines connected to the CLUB's PABX system/switchboard. The telephone units are for the CONCESSIONAIRE's account. All applications and charges for direct line/s shall be the sole responsibility of the CONCESSIONAIRE;

(j) To provide an office space for the CONCESSIONAIRE adequate for its needs;

(k) To provide the CONCESSIONAIRE a stock room that is accessible both to/from the kitchen and to/from the loading bays of the CLUB; and

(l) To provide copies of the CLUB policies, procedures, rules and regulations relevant to the operations of the CONCESSIONAIRE.

2.8.2 Rights of the CLUB. – The CLUB shall have the following rights under the Concessionaire Agreement.

(a) The CLUB shall have under its employ an F&B Officer to monitor all activities of the CONCESSIONAIRE and ensure that the high set of standards and quality as defined in the Concessionaire Agreement is complied with. Such authorized officer has the right to:

- enter and inspect the restaurant outlets, kitchen, work areas and other areas being used by the CONCESSIONAIRE for its operations upon prior notice to the CONCESSIONAIRE without the need to secure the CONCESSIONAIRE's consent;
- To recommend changes in the CONCESSIONAIRE's operations insofar as it relates to the convenience and satisfaction of the CLUB members and guests.

(b) To accept promotional booths, sponsors' booths including those of food products during CLUB special events,

(c) To make menu recommendations on a **quarterly** basis.

**2.9 Relationship between the Parties** – The CONCESSIONAIRE shall be considered as an independent contractor. As such, it is understood that:

2.9.1 The CONCESSIONAIRE warrants that it possesses **SUBSTANTIAL CAPITAL EQUIPMENT AND MATERIALS AND EXPERTISE** necessary to carry out its obligation.

2.9.2 There shall be no employer – employee relationship between the CLUB and the CONCESSIONAIRE and all of the latter's personnel. The CONCESSIONAIRE shall exercise full control and responsibility over all its personnel, who shall not in any manner be connected with or related to the CLUB. The CONCESSIONAIRE and its personnel are not entitled to any of the benefits that the CLUB provides for the latter's own employees;

2.9.3 The CONCESSIONAIRE shall be solely responsible for complying with all laws, rules, regulations and administrative issuances or orders pertaining to all labor laws, including payment of wages and benefits due to all its personnel, including all social benefits, indemnities, compensations require by law;

2.9.4 A Coordination Committee to be composed of the CLUB's GM, the CONCESSIONAIRE's Manager and the House Committee shall be created with the purpose of meeting regularly to determine and solve operational problems that have been and maybe encountered.

**2.10 Term/ Duration of Contract** – The Concessionaire Agreement shall be effective **for two years plus negotiated extension on the 3<sup>rd</sup> year based on performance evaluation by the House Committee** unless earlier terminated either unilaterally for any of the causes as stated in the succeeding paragraph, or otherwise mutually wherein prior to the date of termination, the

parties both agree in writing to the extension or shortening thereof. The CLUB has the sole option to extend CONCESSIONAIRE's services for not more than six (6) months, in the event that the succeeding concessionaire cannot take over yet and proper turnover and transition cannot be achieved.

## **2.11 Termination of Agreement**

**2.11.1 Termination of Agreement by the CLUB.** - The CLUB may terminate this Agreement by serving thirty (30) days' notice to the CONCESSIONAIRE, upon any of the following grounds:

(a) Repeated and verified complaints by CLUB members against the CONCESSIONAIRE pertaining to food quality in the restaurant outlets, or to the poor service, discourtesy or lack of proper decorum of the CONCESSIONAIRE's waiters and other personnel;

(b) CONCESSIONAIRE's willful refusal to comply with the recommendations of the F&B Officer as approved by the CLUB;

(c) If the regular survey conducted by the CLUB on the performance of the CONCESSIONAIRE shows that at least 100 of the CLUB members who have availed of/used the restaurant outlets are dissatisfied with the performance of the CONCESSIONAIRE;

(d) Repeated failure of the CONCESSIONAIRE to comply with the obligation to regularly clean its restaurant outlets, kitchen and work areas and/or to properly manage, collect and dispose of the garbage, or upon a finding by the local city health authorities that the CONCESSIONAIRE is in violation of health or sanitation laws or ordinances;

(e) Failure of the CONCESSIONAIRE to open the restaurant outlets and/or operate during the designated business hours without valid reason for three (3) days, not necessarily in a consecutive manner;

(f) In the event of a strike or lockout caused by a labor dispute between the CONCESSIONAIRE and its employees;

(g) In the event of initiated bankruptcy/receivership/liquidation proceedings, the filing of a petition for suspension of payments or the cessation of business of the CONCESSIONAIRE;

**(h) Repeated failure or delay in the payment of all government mandated benefits.**

**(i) Noncompliance with all the relevant DOLE and Philippine guidelines.**

**2.12 Opportunity to Rectify Ground for Termination** – The CLUB may, at its sole option and depending upon the ground for termination, defer the termination and instead give the CONCESSIONAIRE the opportunity to rectify the breach, correct the failure, or address the deficiency or complaint in the stated ground, within a period of thirty (30) days from receipt of the written notice of the ground for termination. Failure to so rectify, correct, or address the subject breach within the said thirty-day period shall result to outright termination of the Concessionaire Agreement.

**2.1.3 Termination of agreement by the CONCESSIONAIRE** – The CONCESSIONAIRE may terminate the Concessionaire Agreement with the CLUB upon one hundred twenty (120) days prior written notice to the CLUB for any reason whatsoever without the same being construed as an admission of fault or negligence.