



City of Ketchum
City Hall

May 18, 2020

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

**Recommendation to Approve Agreement #20470
License for Access and Use of Property**

Recommendation and Summary

Staff requests City Council to approve agreement #20470, License for Access and Use of Property, with Ollie Dog LLC (DBA Leroy's Ice Cream).

The reasons for the recommendation are as follows:

- The City owns Leroy's Ice Cream stand
- The City must enter into an agreement with the operator of Leroy's Ice Cream stand
- Ollie Dog would be a desirable tenant that benefits the community at large and its designated donees.

Current Report

On February 28, 2020, the City issued a Request for Proposals (RFP) to solicit a Lessee with experience and qualifications to operate an ice-cream/food stand at Ketchum Town Square. Ollie Dog LLC was the only respondent to the RFP.

Ollie Dog, LLC has been operating Leroy's for the past six years. They have submitted the Restaurant Dining Areas Reopening Plan to South Central Health District (receipt was acknowledged by the Health District) and a COVID-19 Operation Plan to the City.

Ollie Dog has the necessary experience to operate an ice cream stand and has exhibited success in providing this service to the community and visitors over the past six years.

Analysis

On November 5, 2018, City Council approved an agreement with Ketchum Community Development Corporation for the transfer and sale of Leroy's Ice Cream stand in Ketchum Town Square to the City.

Ollie Dog has operated Leroy's for six years. Community benefits include summer job opportunities for Wood River Valley students and donation of net proceeds, in equal sums, to the following educational organizations:

- Blaine County School District
- The Community School
- The Sage School
- Pioneer Montessori School

In addition to the COVID-19 plan submitted by Ollie Dog, the City will make accommodations on Town Square, which may be congested by people standing in line. Modifications may include markings on Town Square in six-foot increments to ensure physical distancing and redirecting pedestrians to other areas to enter and exit Town Square to avoid close contact with people standing in line.

Financial Requirement/Impact

There is no financial impact. The benefit to the community is recognized in exchange for use of the property.

Attachments: Agreement #20470
Proposal
Restaurant Dining Areas Reopening Plan
COVID-19 Operations Plan

LICENSE FOR ACCESS AND USE OF PROPERTY

AGREEMENT #20470

This License Agreement ("Agreement") is made by and between the City of Ketchum, Idaho, an Idaho municipal corporation, organized and existing under the laws of the State of Idaho ("City"), and Ollie Dog LLC DBA Leroy's Ice Cream ("Licensee").

RECITALS

Whereas, The City's Town Square Park includes a small structure suitable for use in selling certain items, including food for consumption; and

Whereas, the City conducted a request for proposal process pursuant to both its approved purchasing policy and also Idaho Code; and

Whereas, the Licensee desires to obtain a license for use of the property as an ice cream stand;

NOW, THEREFORE, on the basis of the foregoing recitals, and upon motion duly passed by the Ketchum City Council, and for the consideration set forth herein, the parties agree as follows:

AGREEMENT

1. License for Access and Use of Property. A continuing license is hereby granted by the City for operation of an ice cream stand at the existing structure in Ketchum Town Square.
2. Initial Term. This License shall commence upon the signature of all parties (last date signed), and end December 31, 2020.
3. Renewal Terms. The City, in concurrence with the Licensee, retains the option to renew the term of the lease for an additional year ("lease option"). The City may elect to extend the lease term for up to five additional one-year renewal terms under the lease option. Each Renewal Term shall commence on January 1 and shall terminate on December 31.
4. License Payments. Licensee agrees to annually distribute all net profits from the ice cream stand to local educational institutions.
5. Maintenance. Licensee shall at all times and at its sole expense maintain the stand in a safe, neat, and clean fashion. Licensee further agrees to maintain all improvements located upon said Property in a good state of repair, ordinary wear and tear excepted.
6. Insurance. Licensee shall, at its own expense, maintain all statutorily required insurance and provide evidence of such to City upon request.
7. Termination. The City shall at all times have the ability to terminate this contract with 15 days written notice.
8. Restoration of Property After Termination. After the Initial Term of this License and any Renewal Terms expire, or upon termination pursuant to section 7 of this agreement, licensee shall within 14 days deliver the stand in "as is" condition.

9. Interpretation/Severability. If any clause, provisions, subparagraph, or paragraph set forth in this License is illegal, invalid, or unenforceable under present or future applicable laws, it is the intention of City and Licensee that the remainder of this License shall not be affected thereby.
10. Choice of Law. The terms and provisions contained in this License shall be governed and construed in accordance with the laws of the State of Idaho.
11. Attorney's Fees and Costs. In any suit, action or appeal therefrom to enforce, revoke or interpret this License, the prevailing party shall be entitled to recover its costs incurred therein, including reasonable attorneys' fees.
12. Complete Agreement. This License embodies the complete agreement between City and Licensee. This License cannot be modified, altered, amended, or terminated except by the written agreement of both City and Licensee.
13. Authority. City and Licensee represent to the other that such party has full power and authority to execute, deliver and perform this License, that the individuals executing this License on behalf of said party have been and are fully empowered and authorized by all requisite action to do so; and this License constitutes a valid and legally binding obligation of said party enforceable against such party in accordance with this License.
14. Effective Date: This Agreement shall be effective as of the date it is signed and executed by City and Licensee.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto on the _____ day of _____, 2020.

CITY OF KETCHUM

NEIL BRADSHAW, MAYOR

ATTEST

ROBIN CROTTY, CLERK

LICENSEE: OLLIE DOG LLC DBA LEROY'S ICE CREAM

KRISTEN MORTEN

City of Ketchum Leroy's Ice Cream Proposal

Ollie Dog LLC DBA Leroy's Ice Cream
Kristen Morton
PO Box 2582
Sun Valley, ID 83353
208-720-5796
kristenmorton174@gmail.com

Summary

A hallmark of Ketchum's Town Square, Leroy's Ice Cream has been serving ice cream and good times to the residents and visitors of the Wood River Valley for 10 years. Leroy's is a wonderful place for families to gather and a perfect complement to Town Square as the central hub for City activities. Originally formed and developed by Trina and Jake Peters, Leroy's Ice Cream is named after Leroy Kingsland, a historic figure and a living legend of the mountain lifestyle. Through his affable demeanor and love of all things skiing and outdoors, Leroy's Ice Cream captures Leroy's endearing spirit of fun, family, and a range of full flavors.

Experience

For the prior six years, since 2014, I have managed Leroy's. As manager I oversee employee hiring, employee training, daily operations oversight, employee scheduling, marketing, bookkeeping, all business administrative needs, vendor relationships, inventory management, quality control, and customer service. I ensure Leroy's is providing excellent service to our customers. To that end, each year I interview, hire, and train around 30 local students to scoop ice cream and to operate the stand.

I am committed to continuing to manage Leroy's as effectively as I have been for the prior 6 years. With my prior experience I have a great understanding of how best to maximize operational efficiency of the stand. Importantly, I have a thorough understanding of how to properly staff and stock the stand for each event the City hosts in Town Square.

I will continue to support our local youth community by providing qualified applicants with what is often their first job. With an opportunity to work at Leroy's comes training in how to interact with customers, proper dress

requirements, operation of a cash register, opening and closing procedures, scheduling commitments, and daily operational expectations such as inventory re-stocking and cash management. Daily operational duties require maintaining a clean and orderly stand both inside and outside, which includes proper disposal of trash.

Operations

I have historically operated Leroy's from Memorial Day weekend to Labor Day weekend. However, depending upon weather conditions some years I open as early as the beginning of May and do not close until the last weekend of September. For 2020 I plan to open as soon as possible, weather dependent of course, which could mean as soon as late April/early May. Again, closing dates will depend upon weather conditions and could mean Leroy's remains open until sometime in October.

Hours have always been and will continue to be 12pm-10pm daily, seven days a week. I have always been open for Town Square events during the Summer and have been experimenting recently with events held in the offseason and the Winter with the goal of expanding the seasons of operation.

I have always used local businesses for operational and administrative support. Our primary source of ice cream is from Cloverleaf Creamery in Buhl, a family owned dairy farm, who provides excellent ice cream and support to Leroy's. Each year I've experimented with various product offerings other than ice cream. This year I am considering adding gelato from a local provider in addition to our amazing fresh fruit popsicles produced in Ketchum.

Menu & Pricing

The menu offering a rotation of 25 flavors will remain as follows:

Single Scoop	\$3.50
Double Scoop	\$5.00
Ice Cream Sundaes	\$4.50
Milkshakes	\$6.00
Root Beer and Orange Floats	\$5.00
Fresh Squeezed Lemonade	\$4.00
Fresh fruit Popsicles	\$3.00

These prices have remained steady for the last 5 years. Tax is included.

Proforma

Based on my prior 6 years Leroy's pro forma is expected to be as follows

Revenue \$100,000

Expenses

Cost of Goods Sold	\$40,000
Payroll & Management Expenses	\$37,000
Insurance Expense (Worker's Comp and Liability)	\$800
Business Licenses and Permits.	\$75
Janitorial Expense	\$1,000
Bookkeeping Fees	\$900
Repair and Maintenance	\$300
Sales Tax	\$7,500

Reserve (Next season Inventory/Start-up) \$1,000

Estimated Pre-tax Income \$11,000

Business Administration

Ollie Dog, LLC dba Leroy's Ice Cream holds all requisite city permits and licenses, applicable insurance policies, bank accounts, maintains, and is in good standing, for all state filing requirements, including a worker's compensation policy.

Community Benefit

Every year I hire approximately 30 students, ranging in age between 14-18 years, from all schools in the Valley. For most students, this is their first job. Each year running Leroy's, I take great joy in witnessing the growth of the kids and their gain in confidence. My employees end the summer with a great sense of pride and accomplishment.

I end each summer season distributing net cash back to the community by giving equal sums to area schools. This amount has ranged from \$800-\$2,500 per school, depending upon the success of the season.

History of Customer Service

I have a long history of successfully managing Leroy's, and believe my record demonstrates high customer satisfaction with Leroy's Ice Cream.

References

References provided under separate cover.

revised 5/13)



Restaurant Dining Areas Reopening Plan

Restaurants are required to adhere to the Idaho Food Code when reopening. In addition, guidelines and recommendations are available from the Centers for Disease Control and Prevention (CDC) and Food and Drug Administration to reduce the chance of transmission of the virus that causes COVID-19 when Idaho food establishments open dining areas.

The following plan must be submitted for approval to the local public health district (food@phd5.idaho.gov) prior to dining area operations resuming after May 16, 2020. Reopening plans do not have to be approved before resuming operation and inspections will not be required. However, restaurants should have their reopening plan available during routine inspections, enforcement inspections, pre-opening inspections, and food illness investigations. Each section includes options to meet the dining area reopening plan in Idaho. By check marking items, you are attesting to planned implementation of these mitigation measures for re-opening dining areas.

If alternative plans have been created, note those plans below, or submit them with this document, to food@phd5.idaho.gov

Applicant Name: Kristen Morton Applicant Title: Manager
Establishment Name: Leroy's Ice Cream Establishment Number: Permit 965
Establishment Mailing Address: P.O. Box 2582 Sun Valley, ID. 83353
Establishment Site Address: 480 East Ave N. Kelowna, ID. 83340

EMPLOYEE HEALTH AND HYGIENE (Check All Recommended Measures You Plan to Implement)

- Will assess symptoms of workers before entering the establishment. If no fever ($>100.4^{\circ}\text{F}$) or COVID-19 symptoms are present, workers will be allowed to work but should self-monitor for onset of symptoms during their shift.
- Will provide COVID-19 staff training about when workers should stay home and when they should leave work.
- Will instruct sick employees to stay home and to follow the CDC's [What to do if you are sick with coronavirus disease 2019 \(COVID-19\)](#).
- Will contact the local public health district if an employee is diagnosed with COVID-19.
- Will require employees to wear cloth face coverings and gloves during their shifts, with certain exemptions for health or medical reasons.
- Other measure (specify): _____

SOCIAL DISTANCING (Check All Recommended Measures You Plan to Implement)

All outdoors/
takeout

- Will limit occupancy to 50% of seating capacity. N/A
- Will limit tables to groups of 6. N/A
- Will arrange tables so they are 10 feet apart OR affix closed signs on tables that cannot be moved. N/A
- Will suspend self-serve food operations (drink machines, salsa bars, sauce dispensers); buffet areas will also remain closed. N/A
- Other measure (specify): _____

WAITING AREAS (Check All Recommended Measures You Plan to Implement)

All outdoors

- Will close the lobby and waiting areas (if applicable). N/A
 - Will use a reservation model or call ahead seating method N/A
 - Will make reasonable attempts to eliminate the use of waiting areas and lobbies. N/A
- If the establishment cannot eliminate a waiting area or lobby completely, describe how you will ensure that groups in the waiting area are socially distanced from each other. (attach additional page if needed):

Leroy's is all 70-60~
I will put a tape marker every 6 feet for people waiting
in line.

DINING AREAS (Check All Recommended Measures You Plan to Implement)

- Will keep the bar area closed (if applicable). N/A
- Will keep the playground area closed (if applicable). N/A
- Will use a board or sign to display menu items that will not be touched by patrons. Will have an app or website for patrons to view menus on a personal device.
- Will use disposable menus that will be discarded after each use. N/A
- Will disinfect menus between each use. N/A
- Will use a contactless payment and non-signature methods.
- Will require staff to wash or sanitize their hands before helping the next patron or handling of food after accepting payment. / will also change gloves
- Will require staff to sanitize check holders and pens after use by patrons. N/A - no pens
- Will use the same methods for outdoor seating section, if applicable. N/A
- Describe other plans below (attach additional page if needed):

There will be no contact between my employees and patrons -
we will have a plexiglass shield where the transactions take
place - all food sold will be put in a tray and passed
through the opening.

CLEANING AND DISINFECTION (Check All Recommended Measures You Plan to Implement)

- Will train employees on cleaning and disinfecting procedures, and protective measures, per CDC and FDA guidance.
- Will have dedicated staff sanitize tables and high contact surfaces (e.g., condiments, salt and pepper shakers, napkin dispensers) between parties.
- Will frequently clean and disinfect high touch surfaces (e.g., menus, mobile order devices, door handles, floors, bathrooms) during operation.
- Will not use preset tableware.
- Will clean and disinfect coolers, to-go containers, and delivery vehicles frequently.
- Will verify ware-washing machines are operating at the required wash and rinse temperature and with the appropriate detergents and sanitizers at least once daily. *N/A*
- Describe other plans below (attach additional page if needed):

Applicant Signature: *KCMartin*

Date: *5/13/2020*

Public Health Official Use Only

Reviewed by: _____

Date: _____

Comments: _____

Leroy's Ice Cream COVID-19 Operation Plan

The most important thing we can do at Leroy's is prioritize the safety and well-being of our guests, employees, and the communities we serve. We are lucky to be a take-out business, operating outside with great fresh air flow and no ventilation concerns.

We will follow all guidelines and requirements to ensure customers' health and safety during these challenging times. We will be increasing the frequency of cleaning and sanitizing; requiring employees to wear masks and gloves; halting taster spoon flavor sampling; and installing a plexiglass shield to create a barrier between employees and customers.

Payment Methods: we will be encouraging people to pay with credit cards (all cards accepted) through a remote, contactless Square credit card reader that does not require signatures. We will enforce wearing gloves when accepting and handling cash, and will require employees to wash hands and /or use hand sanitizer and change gloves after each transaction.

We will start by allowing Leroy's one employee in the building at a time, and will manage the physical distancing between staff and customers by using a plexiglass shield. We will put up clear, visible signage advising customers to honor social distancing (stay at least 6 feet apart) while standing in line as well as on the porch. We will place colored markers on the ground to guide people as they wait their turn.

Our coolers that contain ice cream are protected with glass doors and sneeze guards, and cooler doors are opened and shut after each scooping, avoiding contamination for customer safety. There will be no contact between the employees and customers. All orders will be placed under the plexiglass guard (jacketed cones in a tray) for the customer.

Hand sanitizer will be made readily available to all our customers.

We will follow all requirements set by the Idaho Public Health Department.

<https://www.siphidaho.org/env/pdf/RESTAURANT-COVID-19-INFO-3-18-2020.pdf>

Thank you,
Kristen Morton