

REVENUE GENERATING PROPOSAL  
City of Delray Beach

Bid RFP 2023-069

The tables below MUST be completed and submitted with your proposal. Failure of the Proposer to complete and sign the Revenue Generating Proposal SHALL determine the Proposer to be **NON-RESPONSIVE** to the solicitation. All blank areas in the tables below MUST be filled in with a dollar figure.

**MINIMUM ANNUAL GUARANTEE**

The Minimum Annual Guarantee for advertising revenue shall be **NO LESS THAN \$35,984.42/month or \$431,813/year** for the first two (2) years and **NO LESS THAN \$37,783.67/month or \$453,404/year** for the remaining three (3) year **contract term** of the contract. Failure to complete ALL of the foregoing requirements at the time of submittal SHALL determine the Proposer to be **NON-RESPONSIVE** to the Solicitation. The aggregate five (5) year total for the Minimum Annual Guarantee will be used to calculate points to rank each proposal. The Points Formula for the Minimum Annual Guarantee is as follows: \*Minimum Annual Guarantee: (Proposer's Minimum Annual Guarantee/Highest Proposed Minimum Annual Guarantee) x (Maximum Number of Points for Minimum Annual Guarantee (20)) = Minimum Annual Guarantee Score.

Annual Periods for Initial 3-Year Term	(A) Minimum Monthly Guarantee	(B) Minimum Annual Guarantee
Year One	\$35,984.42	\$431,813
Year Two	\$35,984.42	\$431,813
Year Three	\$37,783.67	\$453,404
Year Four	\$37,783.67	\$453,404
Year Five	\$37,783.67	\$453,404
TOTAL (Years 1-5)		

TOTAL REVENUE GENERATING PROPOSAL (for Years 1-5): \$ 2,223,838.00

Proposed Guarantees for Minimum Annual Guarantee for the entire five (5) years (contract term) shall be **NO LESS THAN \$2,223,838.00.**

**ANNUAL NET COLLECTIONS IN EXCESS OF THE MINIMUM ANNUAL GUARANTEE  
(REVENUE SHARING)**

Ten (10%) percent of the Contractor's annual gross revenue net of sales tax collected, in excess of the minimum guaranteed annual concession fee, derived from the Contractor's rental and/or sale of any and all items offered to customers in the operation of the Beach Equipment Rental Concession and Additional Amenities in accordance with the terms of this contract.

Within sixty (60) days after the end of each contract year the Contractor shall deliver to the City a written annual statement of the gross revenue of the contract year together with such payments. All payments shall be submitted to the Parks and Recreation Department.

A maximum of twelve (10) points will be awarded for the Proposer's Percentage Annual Gross Revenue using the Points Formula below:

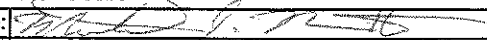
**\*\*Tier 1 - First two (2) years: (Proposer's Percentage Offer/Highest Percentage Proposed) x (Maximum Number of Points (5)) = Percentage Split Score.**

**\*\*Tier 2 - Remaining three (3) years: (Proposer's Percentage Offer/Highest Percentage Proposed) x (Maximum Number of Points (5)) = Percentage Split Score.**

Failure of the Proposer to complete and sign this Proposal SHALL determine the Proposer to be **NON-RESPONSIVE** to the solicitation.

	Annual Net Collection (for each Contract Year)	Minimum Percentage Split Tiered Rates	Contractor's Proposed Percentage Split Tiered Rates
Tier 1:	> \$431,813 (in excess of)	10%	10%
Tier 2:	> \$453,404 (in excess of)	10%	10%

**PROPOSER**

Signature:	
Print Name (individual signing above):	Michael J Novatka
Print Title:	President
Company Name (if incorporated):	Oceanside Beach Service, Inc.
Date:	11/5/2023

END OF SECTION 4

**Proposed Minimum Annual Guarantee and Price List**

Single Chair with Cushion	\$10 per hour \$30 per day \$400 annual
Single Umbrella	\$10 per hour \$30 per day \$400 annual
Table	\$10 per day \$100 annual
Cabana Hood	\$10 per hour \$30 per day \$400 annual
Beach Value Package	Includes any combination of 3 or more pieces listed above

**Florida sales tax applies. Cash, check and all major credit cards are accepted.  
Multi-day rates are available.**

Given our extensive experience in the beach business, we are confident we can attain our revenue goals to sustain the rent in the upcoming years. We understand the ebb and flow of the beach industry and have been able to weather the storms from hurricanes and other prevailing elements over the years. We use the combination of our daily rates and our yearly package to sustain the increase in rent in the upcoming years. Our track record proves it is attainable, because we have been on point using our proven business model.