

AGREEMENT
BETWEEN
THE CITY OF DELRAY BEACH
AND
BJCE, INC.
FOR
MANAGEMENT SERVICES FOR
THE DELRAY BEACH GOLF CLUB AND LAKEVIEW GOLF CLUB

This is an Agreement ("Agreement"), made and entered into by and between: Delray Beach, a municipal corporation of the State of Florida, hereinafter referred to as "City," and BJCE, Inc., a Florida corporation, hereinafter referred to as "Second Party," (collectively referred to as the "Parties").

WITNESSETH:

In consideration of the mutual terms, conditions, promises, covenants, and payments hereinafter set forth, the Parties agree as follows:

ARTICLE 1
DEFINITIONS AND IDENTIFICATIONS

The following definitions apply unless the context in which the word or phrase is used requires a different definition:

- 1.1 **Agreement** - This Agreement includes Articles 1 through 10, the Exhibits, and documents that are expressly incorporated herein by reference.
- 1.2 **Commission** - The City Commission of Delray Beach, Florida.
- 1.3 **Contract Administrator** - The Delray Beach City Manager or the Director of the Delray Beach Parks and Recreation Department. The primary responsibilities of the Contract Administrator are to coordinate and communicate with Second Party and to manage and supervise execution and completion of the Scope of Services and the terms and conditions of this Agreement as set forth herein. In the administration of this Agreement, as contrasted with matters of policy, all Parties may rely on the instructions or determinations made by the Contract Administrator; provided, however, that such instructions and determinations do not change the Scope of Services.
- 1.4 **City Manager** - The administrative head of City appointed by the Commission.

- 1.5 **City Attorney** - The chief legal counsel for City appointed by the Commission.
- 1.6 **Project** - The Project consists of the golf course management services described in Exhibit A, Scope of Services.

ARTICLE 2
SCOPE OF SERVICES

- 2.1 Second Party shall perform all work identified in this Agreement, Exhibit A, Scope of Services. The Scope of Services is a description of Second Party's obligations and responsibilities and is deemed to include preliminary considerations and prerequisites, and all labor, materials, equipment, and tasks which are such an inseparable part of the work described that exclusion would render performance by Second Party impractical.
- 2.2 Second Party acknowledges that the Contract Administrator has no authority to make changes that would increase, decrease, or otherwise modify Exhibit A, Scope of Services to be provided under this Agreement.

ARTICLE 3
TERM AND TIME OF PERFORMANCE

- 3.1 This Agreement is in full force and effect upon full contract execution by the City of Delray Beach. The term of the Agreement shall begin on May 1, 2017 through April 30, 2019 with two one-year renewal options. The continuation of this Agreement beyond the end of any fiscal year shall be subject to both the appropriation and the availability of funds in accordance with Florida law.
- 3.2 In the event services are scheduled to end due to the expiration of this Agreement, the Second Party agrees that it shall continue service upon the request of the Contract Administrator. The extension period shall not extend for greater than six months beyond the term of the Agreement. The Second Party shall be compensated for the service at the rate in effect when the extension is invoked by the City upon the same terms and conditions as contained in this Agreement as amended. The Chief Purchasing Officer shall notify Second Party of an extension authorized herein by written notice delivered prior to the end of the term of the Agreement.

ARTICLE 4
COMPENSATION

4.1 MANAGEMENT FEE

- 4.1.1 City will pay Second Party, in the manner specified in Section 4.3, the total not to exceed amount of \$140,000 per year for management services for the work actually performed and completed pursuant to this Agreement per Exhibit E, Fees. Second Party acknowledges that this amount is the maximum payable for management services and constitutes a limitation upon City's obligation to compensate Second Party for its services related to this Agreement. This maximum amount, however, does not constitute a limitation, of any sort, upon

Second Party's obligation to perform all items of work required by or which can be reasonably inferred from the Scope of Services.

4.2 PROFIT SHARING

Second Party may be entitled to additional payments by the City as detailed in Exhibit D, Performance Measures, Profit Sharing Structure, in a not-to-exceed amount of \$50,000 per year.

4.3 METHOD OF BILLING AND PAYMENT

4.3.1 Second Party may submit invoices for management fees no more than one time per month. An original invoice plus one copy are due within fifteen (15) days of the end of the month except the final invoice which must be received no later than sixty (60) days after this Agreement expires. Invoices shall designate the nature of the services performed. Second Party shall submit invoices for payment of approved golf courses expenses by the City no more often than one time per week.

4.3.2 Invoices, including those for insurances but excluding those for payroll, will be paid within ten calendar days of receipt of a proper invoice. Second Party's invoice for payroll, a payroll register and payment request must be submitted to the City no later than 3:00 p.m. on Tuesday prior to Second Party's Friday payroll distribution date. If invoice for payroll and supporting documents are received prior to the deadline, invoices for payroll will be paid via electronic payment method by Thursday prior to Second Party's Friday payroll distribution date. Invoices for payroll received after the deadline will be processed for payment within ten calendar days of receipt.

To be deemed proper, all invoices must comply with the requirements set forth in this Agreement and must be submitted on the form and pursuant to instructions prescribed by the Contract Administrator. Payment may be withheld for failure of Second Party to comply with a term, condition, or requirement of this Agreement.

4.3.3 Notwithstanding any provision of this Agreement to the contrary, City may withhold, in whole or in part, payment to the extent necessary to protect itself from loss on account of inadequate or defective work which has not been remedied or resolved in a manner satisfactory to the Contract Administrator or failure to comply with this Agreement. The amount withheld shall not be subject to payment of interest by City.

4.3.4 Payment shall be made to Second Party at the address below or via electronic payment methods to the financial institution designated by Second Party.

BJCE, INC.
1300 Park of Commerce Suite 272
Delray Beach, FL 33444

ARTICLE 5
INDEMNIFICATION

Second Party shall at all times hereafter indemnify, hold harmless and, at the City Attorney's option, defend or pay for an attorney selected by the City Attorney to defend City, its officers, agents, servants, and employees from and against any and all causes of action, demands, claims, losses, liabilities and expenditures of any kind, including attorney fees, court costs, and expenses, caused or alleged to be caused by any intentional, negligent, or reckless act of, or omission of, Second Party, its employees, agents, servants, or officers, or accruing, resulting from, or related to the subject matter of this Agreement including, without limitation, any and all claims, losses, liabilities, expenditures, demands or causes of action of any nature whatsoever resulting from injuries or damages sustained by any person or property. In the event any lawsuit or other proceeding is brought against City by reason of any such claim, cause of action, or demand, Second Party shall, upon written notice from City, resist and defend such lawsuit or proceeding by counsel satisfactory to City or, at City's option, pay for an attorney selected by City Attorney to defend City. The obligations of this section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by the Contract Administrator and the City Attorney, any sums due Second Party under this Agreement may be retained by City until all of City's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved. Any amount withheld shall not be subject to payment of interest by City.

ARTICLE 6
INSURANCE

6.1 Second Party shall maintain at all times during the term of this Agreement at least the minimum insurance coverage designated in Exhibit B, Insurances, in accordance with the terms and conditions stated therein. Second Party's cost of insurance coverage shall be reimbursable by the City.

ARTICLE 7
TERMINATION

7.1 This Agreement may be terminated for cause by the aggrieved party if the party in breach has not corrected the breach within ten (10) days after receipt of written notice from the aggrieved party identifying the breach. This Agreement may also be terminated for convenience by the Commission. Termination for convenience by the Commission shall be effective on the termination date stated in written notice provided by City, which termination date shall be not less than thirty (30) days after the date of such written notice. This Agreement may also be terminated by the City Manager upon such notice as the City Manager deems appropriate under the circumstances in the event the City Manager determines that termination is necessary to protect the public health, safety, or welfare. If City erroneously, improperly, or unjustifiably terminates for cause, such termination shall be deemed a termination for convenience, which shall be effective thirty (30) days after such notice of termination for cause is provided.

7.2 This Agreement may be terminated for cause for reasons including, but not limited to, Second Party's repeated (whether negligent or intentional) submission for payment of false or incorrect bills or invoices, failure to suitably perform the work, or failure to

continuously perform the work in a manner calculated to meet or accomplish the objectives as set forth in this Agreement. The Agreement may also be terminated for cause if the Second Party is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List created pursuant to Section 215.473, Florida Statutes, or if the Second Party provides a false certification submitted pursuant to Section 287.135, Florida Statutes. This Agreement may also be terminated by the Board.

- 7.3 Notice of termination shall be provided in accordance with the "NOTICES" section of this Agreement except that notice of termination by the City Manager, which the City Manager deems necessary to protect the public health, safety, or welfare may be verbal notice that shall be promptly confirmed in writing in accordance with the "NOTICES" section of this Agreement.
- 7.4 In the event this Agreement is terminated for convenience, Second Party shall be paid for any services properly performed under the Agreement through the termination date specified in the written notice of termination. Second Party acknowledges that it has received good, valuable and sufficient consideration from City, the receipt and adequacy of which are, hereby acknowledged by Second Party, for City's right to terminate this Agreement for convenience.
- 7.5 In the event this Agreement is terminated for any reason, any amounts due Second Party shall be withheld by City until all documents are provided to City pursuant to Section 9.1 of Article 9.

ARTICLE 8 NON-DISCRIMINATION

- 8.1 No party to this Agreement may discriminate on the basis of race, color, sex, religion, national origin, disability, age, marital status, political affiliation, sexual orientation, pregnancy, or gender identity and expression in the performance of this Agreement. Failure by Second Party to carry out any of these requirements shall constitute a material breach of this Agreement, which shall permit the City, to terminate this Agreement or to exercise any other remedy provided under this Agreement, or under the Delray Beach Code of Ordinances or under applicable law, with all of such remedies being cumulative.

Second Party shall include the foregoing or similar language in its contracts with any subcontractors or subconsultants, except that any project assisted by the U.S. Department of Transportation funds shall comply with the non-discrimination requirements in 49 C.F.R. Parts 23 and 26. Failure to comply with the foregoing requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as City deems appropriate.

Second Party shall not unlawfully discriminate against any person in its operations and activities or in its use or expenditure of funds in fulfilling its obligations under this Agreement and shall not otherwise unlawfully discriminate in violation of any State or Federal law. Second Party shall affirmatively comply with all applicable provisions of the Americans with Disabilities Act (ADA) in the course of providing any services funded by City, including Titles I and II of the ADA (regarding nondiscrimination on the basis of

disability), and all applicable regulations, guidelines, and standards. In addition, Second Party shall take affirmative steps to prevent discrimination in employment against disabled persons.

By execution of this Agreement, Second Party represents that it has not been placed on the discriminatory vendor list as provided in Section 287.134, Florida Statutes. City hereby materially relies on such representation in entering into this Agreement. An untrue representation of the foregoing shall entitle City to terminate this Agreement and recover from Second Party all monies paid by City pursuant to this Agreement, and may result in debarment from City's competitive procurement activities.

ARTICLE 9
MISCELLANEOUS

9.1 RIGHTS IN DOCUMENTS AND WORK

Any and all reports, photographs, surveys, and other data and documents provided or created in connection with this Agreement are and shall remain the property of City, and, if a copyright is claimed, Second Party grants to City a non-exclusive license to use the copyrighted item(s) indefinitely, to prepare derivative works, and to make and distribute copies to the public. In the event of termination of this Agreement, any reports, photographs, surveys, and other data and documents prepared by Second Party, whether finished or unfinished, shall become the property of City and shall be delivered by Second Party to the Contract Administrator within eight (8) days of termination of this Agreement by either party. Any compensation due to Second Party shall be withheld until all documents are received as provided herein.

9.2 PUBLIC RECORDS

9.2.1 IF THE SECOND PARTY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE SECOND PARTY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT CITY OF DELRAY BEACH, CITY CLERK, 100 N.W. 1ST AVE., DELRAY BEACH FLORIDA. THE CITY CLERK'S OFFICE MAY BE CONTACTED BY PHONE AT 561-243-7050 OR VIA EMAIL AT CITYCLERK@MYDELRAYBEACH.COM.

9.2.2 Second Party shall comply with public records laws, specifically to:

- i. Keep and maintain public records required by the City to perform the service.
- ii. Upon request from the City's custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Florida Statute or as otherwise provided by law.

- iii. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following completion of the Agreement if the Second Party does not transfer the records to the City.
- iv. Upon completion of the Agreement, transfer, at no cost, to the City all public records in possession of the Second Party or keep and maintain public records required by the City to perform the service. If the Second Party transfers all public records to the City upon completion of the Agreement, the Second Party shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Second Party keeps and maintains public records upon completion of the Agreement, the Second Party shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records, in a format that is compatible with the information technology systems of the City.
- v. If the Second Party does not comply with this section, the City shall enforce the contract provisions in accordance with the contract and may unilaterally cancel this contract in accordance with state law.

9.3 INSPECTOR GENERAL.

Second Party is aware that the Inspector General of Palm Beach County has the authority to investigate and audit matters relating to the negotiation and performance of this contract, and may demand and obtain records and testimony from Second Party and its sub licensees and lower tier sub licensees. Second Party understands and agrees that in addition to all other remedies and consequences provided by law, the failure of Second Party or its sub licensee or lower tier sub licensees to fully cooperate with the Inspector General when requested may be deemed by the City to be a material breach of this Agreement justifying its termination.

9.4 AUDIT RIGHTS, AND RETENTION OF RECORDS

City shall have the right to audit the books, records, and accounts of Second Party and its subcontractors that are related to this Project. Second Party and its subcontractors shall keep such books, records, and accounts as may be necessary in order to record complete and correct entries related to the Project. All books, records, and accounts of Second Party and its subcontractors shall be kept in written form, or in a form capable of conversion into written form within a reasonable time, and upon request to do so, Second Party or its subcontractors Party, as applicable, shall make same available at no cost to City in written form.

Second Party and its subcontractors shall preserve and make available, at reasonable times for examination and audit by City, all financial records, supporting documents, statistical records, and any other documents pertinent to this Agreement for the required retention period of the Florida Public Records Act, Chapter 119, Florida Statutes, if applicable, or, if the Florida Public Records Act is not applicable, for a minimum period of

three (3) years after termination of this Agreement. If any audit has been initiated and audit findings have not been resolved at the end of the retention period or three (3) years, whichever is longer, the books, records, and accounts shall be retained until resolution of the audit findings. Any incomplete or incorrect entry in such books, records, and accounts shall be a basis for City's disallowance and recovery of any payment upon such entry.

Second Party shall ensure that the requirements of this Section 9.3 are included in all agreements with its subcontractors Party(s).

9.5 TRUTH-IN-NEGOTIATION REPRESENTATION

Second Party's compensation under this Agreement is based upon representations supplied to City by Second Party, and Second Party certifies that the information supplied is accurate, complete, and current at the time of contracting. City shall be entitled to recover any damages it incurs to the extent such representation is untrue.

9.6 PUBLIC ENTITY CRIME ACT

Second Party represents that the execution of this Agreement will not violate the Public Entity Crime Act, Section 287.133, Florida Statutes, which essentially provides that a person or affiliate who is a Second Party, consultant, or other provider and who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to City, may not submit a bid on a contract with City for the construction or repair of a public building or public work, may not submit bids on leases of real property to City, may not be awarded or perform work as a Second Party, supplier, subcontractors Party, or consultant under a contract with City, and may not transact any business with City in excess of the threshold amount provided in Section 287.017, Florida Statutes, for category two purchases for a period of thirty-six (36) months from the date of being placed on the convicted vendor list. Violation of this section shall result in termination of this Agreement and recovery of all monies paid by City pursuant to this Agreement, and may result in debarment from City's competitive procurement activities.

In addition to the foregoing, Second Party further represents that there has been no determination, based on an audit, that it committed an act defined by Section 287.133, Florida Statutes, as a "public entity crime" and that it has not been formally charged with committing an act defined as a "public entity crime" regardless of the amount of money involved or whether Second Party has been placed on the convicted vendor list.

9.7 INDEPENDENT SECOND PARTY

Second Party is an independent Second Party under this Agreement. Services provided by Second Party pursuant to this Agreement shall be subject to the supervision of Second Party. In providing such services, neither Second Party nor its agents shall act as officers, employees, or agents of City. No partnership, joint venture, or other joint relationship is created hereby. City does not extend to Second Party or Second Party's agents any authority of any kind to bind City in any respect whatsoever.

9.8 THIRD PARTY BENEFICIARIES

Neither Second Party nor City intends to directly or substantially benefit a third party by this Agreement. Therefore, the Parties acknowledge that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a right or claim against either of them based upon this Agreement.

9.9 NOTICES

Whenever either Party desires to give notice to the other, such notice must be in writing, sent by certified United States Mail, postage prepaid, return receipt requested, or sent by commercial express carrier with acknowledgement of delivery, or by hand delivery with a request for a written receipt of acknowledgment of delivery, addressed to the party for whom it is intended at the place last specified. The place for giving notice shall remain the same as set forth herein until changed in writing in the manner provided in this section. For the present, the Parties designate the following:

For City:

City of Delray Beach
ATTN: City Manager
100 N.W. 1st Avenue
Delray Beach, Florida 33444

For Second Party:

BJCE, INC.
1300 Park of Commerce Suite 272
Delray Beach, FL 33444

9.10 ASSIGNMENT AND PERFORMANCE

Neither this Agreement nor any right or interest herein shall be assigned, transferred, or encumbered without the written consent of the other Party. In addition, Second Party shall not subcontract any portion of the work required by this Agreement, except as may specifically provided for herein. Notwithstanding the Termination provision of this Agreement, City may terminate this Agreement, effective immediately, if there is any assignment, or attempted assignment, transfer, or encumbrance, by Second Party of this Agreement or any right or interest herein without City's written consent.

Second Party represents that each person who will render services pursuant to this Agreement is duly qualified to perform such services by all appropriate governmental authorities, where required, and that each such person is reasonably experienced and skilled in the area(s) for which he or she will render his or her services.

Second Party shall perform its duties, obligations, and services under this Agreement in a skillful and respectable manner. The quality of Second Party's performance and all interim and final product(s) provided to or on behalf of City shall be comparable to the best local and national standards.

9.11 CONFLICTS

Neither Second Party nor its employees shall have or hold any continuing or frequently recurring employment or contractual relationship that is substantially antagonistic or incompatible with Second Party's loyal and conscientious exercise of judgment and care related to its performance under this Agreement.

None of Second Party's officers or employees shall, during the term of this Agreement, serve as an expert witness against City in any legal or administrative proceeding in which he, she, or Second Party is not a party, unless compelled by court process. Further, such persons shall not give sworn testimony or issue a report or writing, as an expression of his or her expert opinion, which is adverse or prejudicial to the interests of City in connection with any such pending or threatened legal or administrative proceeding unless compelled by court process. The limitations of this section shall not preclude Second Party or any persons in any way from representing themselves, including giving expert testimony in support thereof, in any action or in any administrative or legal proceeding.

In the event Second Party is permitted pursuant to this Agreement to utilize subcontractors to perform any services required by this Agreement, Second Party shall require such subcontractors, by written contract, to comply with the provisions of this section to the same extent as Second Party.

9.12 MATERIALITY AND WAIVER OF BREACH

Each requirement, duty, and obligation set forth herein was bargained for at arm's-length and is agreed to by the Parties. Each requirement, duty, and obligation set forth herein is substantial and important to the formation of this Agreement, and each is, therefore, a material term hereof.

City's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

9.13 COMPLIANCE WITH LAWS

Second Party shall comply with all applicable federal, state, and local laws, codes, ordinances, rules, and regulations in performing its duties, responsibilities, and obligations pursuant to this Agreement.

9.14 SEVERANCE

In the event a portion of this Agreement is found by a court of competent jurisdiction to be invalid, the remaining provisions shall continue to be effective unless City or Second Party elects to terminate this Agreement. An election to terminate this Agreement based upon this provision shall be made within seven (7) days of final court action, including all available appeals.

9.15 JOINT PREPARATION

The Parties and their counsel have participated fully in the drafting of this Agreement and acknowledge that the preparation of this Agreement has been their joint effort. The language agreed to expresses their mutual intent and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the Parties than the other. The language in this Agreement shall be interpreted as to its fair meaning and not strictly for or against any party.

9.16 INTERPRETATION

The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All personal pronouns used in this Agreement shall include the other gender, and the singular shall include the plural, and vice versa, unless the context otherwise requires. Terms such as "herein," "hereof," "hereunder," and "hereinafter," refer to this Agreement as a whole and not to any particular sentence, paragraph, or section where they appear, unless the context otherwise requires. Whenever reference is made to a Section or Article of this Agreement, such reference is to the Section or Article as a whole, including all of the subsections of such Section, unless the reference is made to a particular subsection or subparagraph of such Section or Article.

9.17 PRIORITY OF PROVISIONS

If there is a conflict or inconsistency between any term, statement, requirement, or provision of any exhibit attached hereto, any document or events referred to herein, or any document incorporated into this Agreement by reference and a term, statement, requirement, or provision of Articles 1 through 9 of this Agreement, the term, statement, requirement, or provision contained in Articles 1 through 9 shall prevail and be given effect.

9.18 LAW, JURISDICTION, VENUE, WAIVER OF JURY TRIAL

This Agreement shall be interpreted and construed in accordance with and governed by the laws of the state of Florida. All Parties agree and accept that jurisdiction of any controversies or legal problems arising out of this Agreement, and any action involving the enforcement or interpretation of any rights hereunder, shall be exclusively in the state courts of the Fifteenth Judicial Circuit in Palm Beach County, Florida, and venue for litigation arising out of this Agreement shall be exclusively in such state courts, forsaking any other jurisdiction which either party may claim by virtue of its residency or other jurisdictional device. BY ENTERING INTO THIS AGREEMENT, SECOND PARTY AND CITY HEREBY EXPRESSLY WAIVE ANY RIGHTS EITHER PARTY MAY HAVE TO A TRIAL BY JURY OF ANY CIVIL LITIGATION RELATED TO THIS AGREEMENT. IF A PARTY FAILS TO WITHDRAW A REQUEST FOR A JURY TRIAL IN A LAWSUIT ARISING OUT OF THIS AGREEMENT AFTER WRITTEN NOTICE BY THE OTHER PARTY OF VIOLATION OF THIS SECTION, THE PARTY MAKING THE REQUEST FOR JURY TRIAL SHALL BE LIABLE FOR THE REASONABLE ATTORNEYS' FEES AND COSTS OF THE OTHER PARTY IN CONTESTING THE REQUEST FOR JURY TRIAL, AND SUCH AMOUNTS SHALL BE AWARDED BY THE COURT IN ADJUDICATING THE MOTION.

9.19 AMENDMENTS

The Parties may amend this Agreement to conform to changes in federal, state, or local laws, regulations, directives, and objectives. No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by the Board and Second Party or others delegated authority to or otherwise authorized to execute same on their behalf.

9.20 PRIOR AGREEMENTS

This document represents the final and complete understanding of the Parties and incorporates or supersedes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein. There is no commitment, agreement, or understanding concerning the subject matter of this Agreement that is not contained in this written document. Accordingly, no deviation from the terms hereof shall be predicated upon any prior representation or agreement, whether oral or written.

9.21 PAYABLE INTEREST

9.21.1 Payment of Interest. Except as required by the Prompt Payment laws, City shall not be liable for interest for any reason, whether as prejudgment interest or for any other purpose, and in furtherance thereof Second Party waives, rejects, disclaims and surrenders any and all entitlement it has or may have to receive interest in connection with a dispute or claim based on or related to this Agreement.

9.21.2 Rate of Interest. In any instance where the prohibition or limitations of Section 9.21.1 are determined to be invalid or unenforceable, the annual rate of interest payable by City under this Agreement, whether as prejudgment interest or for any other purpose, shall be .025 percent simple interest (uncompounded).

9.22 INCORPORATION BY REFERENCE

All Exhibits are incorporated into and made a part of this Agreement.

9.23 REPRESENTATION OF AUTHORITY

Each individual executing this Agreement on behalf of a party hereto hereby represents and warrants that he or she is, on the date he or she signs this Agreement, duly authorized by all necessary and appropriate action to execute this Agreement on behalf of such party and does so with full legal authority.

9.25 MULTIPLE ORIGINALS

Multiple copies of this Agreement may be executed by all Parties, each of which, bearing original signatures, shall have the force and effect of an original document.

ARTICLE 10
CITY'S USE OF PREMISES

- 10.1 City shall, at its sole and absolute discretion and upon reasonable prior notice to Contractor, have the right to full use of any or all of the restaurant and banquet facilities at the Delray Beach Golf Club and Lakeview Golf Club for events or meetings at no rental charge to the Contractor. The Contractor will assume set up and clean up responsibilities for said events or meetings.
- 10.2 Contractor agrees that in the event of any catastrophe, including but not limited to natural disasters such as hurricanes and other weather-related events, the Contractor shall have the right to take immediate occupancy of the Delray Beach Golf Club and Lakeview Golf Club and to utilize the Delray Beach Golf Club and Lakeview Golf Club as a City shelter during and subsequent to any such emergency. City shall occupy the Delray Beach Golf Club and Lakeview Golf Club for only such time as is reasonably necessary. City shall be responsible for any damage caused to the Delray Beach Golf Club and Lakeview Golf Club reasonably resulting from any such emergency.

ARTICLE 11
ORDER OF PRECEDENCE

The documents listed below are a part of this Agreement and are hereby incorporated by reference. In the event of inconsistency between the documents, unless otherwise provided herein, the terms of the following documents will govern in the following order of precedence:

- A. Terms and conditions as contained in this Agreement.
- B. RFP No. 2016-079, Management Services for Delray Beach Golf Club and Lakeview Golf Club, dated April 19, 2016, and all its addenda.
- C. Second Party's response to RFP No. 2016-079, Management Services for Delray Beach Golf Club and Lakeview Golf Club, and any subsequent information submitted by Second Party during the evaluation, clarification and negotiation process.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement: City through its Board, signing by and through its Mayor or Vice-Mayor, authorized to execute same by Board action on the ____ day of _____, 20__, and Second Party, signing by and through its _____, duly authorized to execute same.

ATTEST:

CITY OF DELRAY BEACH, FLORIDA

Kimberly Wynn, Interim City Clerk

By _____
Cary D. Glickstein, Mayor

____ day of _____, 20__.

APPROVED AS TO FORM:

R. Max Loman, City Attorney

AGREEMENT BETWEEN DELRAY BEACH, FLORIDA

AND

BJCE, INC.

SECOND PARTY

By _____
(Signature)

(Printed name, Title)

____ day of _____, 20____

WITNESS:

(Signature)

(Printed name)

WITNESS:

(Signature)

(Printed name)

(SEAL)

AGREEMENT BETWEEN DELRAY BEACH, FLORIDA

AND

BJCE, INC.

SECOND PARTY

By Sharon Painter
(Signature)

SHARON PAINTER, CEO
(Printed name, Title)

17 day of April, 2017

WITNESS:

Cynthia Doll
(Signature)

Cindy Doll
(Printed name)

WITNESS:
[Signature]
(Signature)

Gene Garrate
(Printed name)

(SEAL)

EXHIBIT A
SCOPE OF SERVICES

1. Scope

Second Party will provide Management Services for Delray Beach Golf Club and Lakeview Golf Club for the City's Parks and Recreation Department. Second Party must be properly licensed to conduct management services within Palm Beach County.

2. General Requirements

Second Party shall provide services to include, but not limited to the following:

- a. Provide administrative oversight of all key operating areas such as turf management, golf professional services, food and beverage operations, and facilities maintenance shall be provided to ensure that the facility is operated at a first class level for daily fee operations and consistent with levels expected of other city facilities.
- b. Starter's services, marshaling services and driving range management.
- c. Golf merchandise sales, rentals and repair, golf tournament management, junior golf programming, golf lessons and clinics programming, and the storage and repair of items related to the game of golf.
- d. Food and beverage operation, room rental, catering and banquets, provision of meeting space
- e. Turf grass management, general supervision of the golf course and the preparation of grounds for daily play.
- f. Any incidental services as may be directed.
- g. Recruit, hire, train, evaluate all employees necessary to operate and maintain the golf courses, restaurant and banquet facilities. The Second Party will have full authority over all personnel decisions and shall be the employer of the employees.
- h. When applicable, invoke disciplinary actions up to and including termination of Second Party's personnel.
- i. Report all customer complaints to the City Parks & Recreation office within one business day of receipt.
- j. Respond to customer inquiries and complaints received directly or forward by the City in writing within 48 hours of receipt.
- k. Make recommendations to the City, as part of the annual City budget process, regarding fees and rates for golf, bag storage, range, locker and club rental, and annual permit fees.

- l. Complete annual fee and rate market analysis. A written report is to be submitted to Parks & Recreation as part of annual budget process no later than June 1 of each year.
- m. Make recommendations related to operational policy.
- n. Provide monthly reports to include, but not limited to, financial information, utilization rate, maintenance highlights, program data, marketing/promotional initiatives and performance metrics in a format as may be prescribed by the City.
- o. Ensure security and protection of all assets, including City funds.
- p. Provide response and backup response to answer fire/security alarms 24 hours per day/365 days per year.
- q. Make recommendations and assist the City in planning and implementing capital improvements for the golf courses and facilities.
- r. Conduct all operations and activities to comply with safety regulations and standards.
- s. Maintain all required chemical and pesticide licenses for operation and maintenance of the golf courses and facilities.
- t. Maintain all required safety data sheets (SDS) formerly call MSDS, as required by law.
- u. Ensure compliance with all environmental and natural resources laws, regulations and permits.
- v. Make recommendations and assist the City in planning and implementing capital improvements.

3. Administration

- a. Provide administrative oversight of all key operating areas to ensure that the facilities are operated in a first class manner and consistent with the levels expected of other City facilities, such as:
 - i. turf management,
 - ii. golf professional services,
 - iii. food and beverage operations
 - iv. facilities maintenance
- b. Supervise and direct the administration of all golf course operations, including, but not limited to, the timely operation, completion and/or provision of the following:
 - i. The collection, deposit and reporting of revenue
 - ii. The procurement of and payment authorization for materials and services
 - iii. Starter's services, marshaling services and driving range management
 - iv. Golf merchandise sales

- v. Rentals and repair or rental equipment
- vi. Golf tournament management
- vii. Junior golf programming
- viii. Golf lessons and golf clinic programming
- ix. Storage and repair of items related to the game of golf
- x. Food and beverage operations
- xi. Banquet room rentals
- xii. Catering and banquets
- xiii. Provision of meeting space;
- xiv. Turf grass management
- xv. Daily preparation of grounds on the golf courses to ready them for play

4. Financial

Second Party shall provide the following services related to the financial operations of the golf courses:

- a. On an annual basis, prepare a business plan which will include an operating and capital budget as well as a marketing plan for review by the City Manager in accordance with City budget submittal requirements.
- b. On an annual basis, prepare and/or update a five (5) year capital improvement budget for review by the City Manager in accordance with City budget submittal requirements.
- c. Prepare and process requisitions for procurement of supplies, materials, equipment, services and capital items in accordance with the City Code of Ordinances, policies and procedures.
- d. Prepare bid specifications for the purchase of supplies, materials, equipment, services and capital items as may be required.
- e. Maintain a petty cash fund in accordance with City policies and procedures.
- f. Manage and maintain a PCI compliant point of sale (POS) computer and cash register system for both golf and restaurant/banquet operations.
- g. On a daily basis deposit all gross revenues in account of and to the credit of the City.
- h. Perform monthly inventory counts, as may be required to ensure proper accountability.
- i. Ensure that adequate internal financial control systems are in place in all areas of the operation.
- j. Perform monthly audits of cash.

5. Operations

Second Party shall provide the following operational services:

- a. Operate a full service restaurant in accordance with the terms and conditions of the alcoholic beverage license issued to the golf courses.
- b. Operate and maintain the restaurant/banquet facilities in accordance with all federal, State, and local government laws, regulations, including health department regulations and State liquor board regulations.
- c. Maintain pro-shop inventory to ensure customer needs are met.
- d. Keep a perpetual inventory of merchandise in the pro-shop for resale.
- e. Provide golf club cleaning services.
- f. Provide pick-up and delivery services of golf clubs and bags to and from the bag drop-off area.
- g. Provide a golf handicap service.
- h. Provide club rental services.
- i. Provide golf cart preventive maintenance
- j. Ensure carts are clean, safe and fully operational on a daily basis

6. Maintenance

Second Party shall provide the following maintenance services:

- a. Routine janitorial services on a daily basis.
- b. Building maintenance services as required and/or as directed by the City.
- c. Provide routine preventive maintenance services as requested.
- d. Maintain and repair all golf course structures, equipment and irrigation systems
- e. Maintain all restaurant furniture, fixtures and equipment.
- f. Maintain golf courses and other common areas at a first class level.
- g. Develop and implement management programs to ensure the health and viability of golf course turf that are sensitive to environmental conditions to ensure quality playing conditions to include, as applicable, but not be limited to:
 - i. Mowing height
 - ii. Mowing frequency
 - iii. Verticutting
 - iv. Scarification
 - v. Grooming
 - vi. Aerating

- vii. Rolling
- viii. Topdressing

h. Perform agronomic evaluations of the course on an as needed basis.

7. Marketing and Promotions

Second Party shall provide marketing and promotional services to include, but not be limited to the following:

- a. Develop and conduct youth programs and clinics which meet the needs of this demographic.
- b. Develop and implement golf teaching programs.
- c. Prepare and submit an annual marketing plan for City approval as part of the annual business plan.
- d. Promote and develop a wide variety of events and programs, including junior golf, charity events, and programs for underprivileged youth.
- e. Develop advertising and promotional materials for both golf and restaurant/banquet operations.

EXHIBIT B
INSURANCES

The Second Party shall not commence operations until certification or proof of insurance, detailing terms and provisions of coverage, has been received and approved by the City of Delray Beach Risk Manager.

Second Party shall carry the following minimum types of insurance:

The following insurance coverage shall be required.

- A. Workers' Compensation Insurance: with the statutory limits.
- B. Employers' Liability insurance: with a limit of not less than \$100,000 for each accident, \$100,000 for each disease, and \$500,000 for aggregate disease.
- C. General Liability Insurance: with a minimum limit of \$1,000,000 per occurrence and \$2,000,000 in the aggregate annually, providing coverage for Premises and Operations, Products and Completed Operations, Fire Legal Liability, and Personal and Advertising Injury Liability.
- D. Motor Vehicle Liability Insurance: with a minimum limit of \$1,000,000 combined single limit per each occurrence covering all vehicles associated with Second Party operations to include all owned, non-owned and hired vehicles.
- E. Errors and Omissions Liability Insurance: with a minimum limit of \$2,000,000.

The certification or proof of insurance must contain a provision for notification to the City ten (10) days in advance of any material change in coverage, non-renewal or cancellation.

Second Party shall furnish to the City, Certificate(s) of Insurance evidencing insurance required by the provisions set forth above. If any of the above coverages expire during the term of this Agreement, Second Party will provide a renewal certificate at least ten (10) days prior to expiration.

All insurance policies shall be issued by companies that (a) are authorized to do business in the State of Florida, (b) have agents upon whom service of process may be made in the state of Florida, and (c) have an A.M. Best rating of A- VIII or better. All insurance policies shall name the City of Delray Beach as an additional insured. The Proposer agrees to notify the City within (5) business days of coverage cancellation, lapse or material modification. All renewal or replacement certificates of insurance shall be forwarded to the City of Delray Beach Risk Management Division.

Mail to: City of Delray Beach, Attn. Purchasing Department, 100 N.W. 1st Avenue, Delray Beach, Florida 33444 with a copy to Assistant City Manager, 100 N.W. 1st Avenue, Delray Beach, FL 33444.

EXHIBIT C
BUSINESS PLAN

JCD Sports Group

Business Plan FY 2016-17

For Delray Beach Golf Club & Lakeview Golf Club

Executive Summary

Overview

Delray Beach Golf Club and Lakeview Golf Club are municipal golf courses owned by the City of Delray Beach. The City has contracted JCD Sports Group to manage the Clubs. Management responsibilities include all day-to-day operations as well as major projects to improve the property and increase revenue for each Club.

Delray Beach Golf Club is a well-established Delray Beach property, officially opened as a nine-hole course in 1926 and is currently an 18-hole course. They offer the community consistent course conditions, convenient location, on-site amenities, and affordable prices. Management has noted several improvements needed, including course and driving range renovations and equipment upgrades. Challenges to improvements include budgetary constraints and increased costs. Adding new players, more weekday play and leveraging the Integrity Golf Company partnership will help overcome these challenges.

Lakeview Golf Club officially opened in 1972 and was obtained by The City of Delray Beach in 1996. They benefit the community by hosting tournaments throughout the year, providing a year round walking course, and offering affordable prices. The facility has no driving range, however, and the equipment needs to be upgraded. Challenges to improvements include budgetary constraints and increased costs. Increasing the number of league events, developing new relationships with local businesses and growing the junior clientele as well as the adult clientele, age 21-50, will help overcome these challenges.

Goals and Strategies

Each Club has a set of goals and strategies designed to increase revenue and decrease costs. Implementing the outlined strategies will help drive up the profit margin. More profits will allow more funding for necessary improvements to be made and for adding to the overall guest experience. An improved course and a more positive guest experience will lead to increased number of customers and tournaments, further increasing profits.

Some strategies may require policy direction from City Commission. Using these strategies as guidelines, both Delray Beach Golf Club and Lakeview Golf Club will develop specific goals and timelines.

Marketing Plan

Delray Beach Golf Club and Lakeview Golf Club each have a marketing plan that includes a variety of print, Internet, television, radio, and strategic partnerships. Print media includes local newspapers and travel magazines. Internet marketing is comprised of websites, social media, and email campaigns. JCD Sports Group has

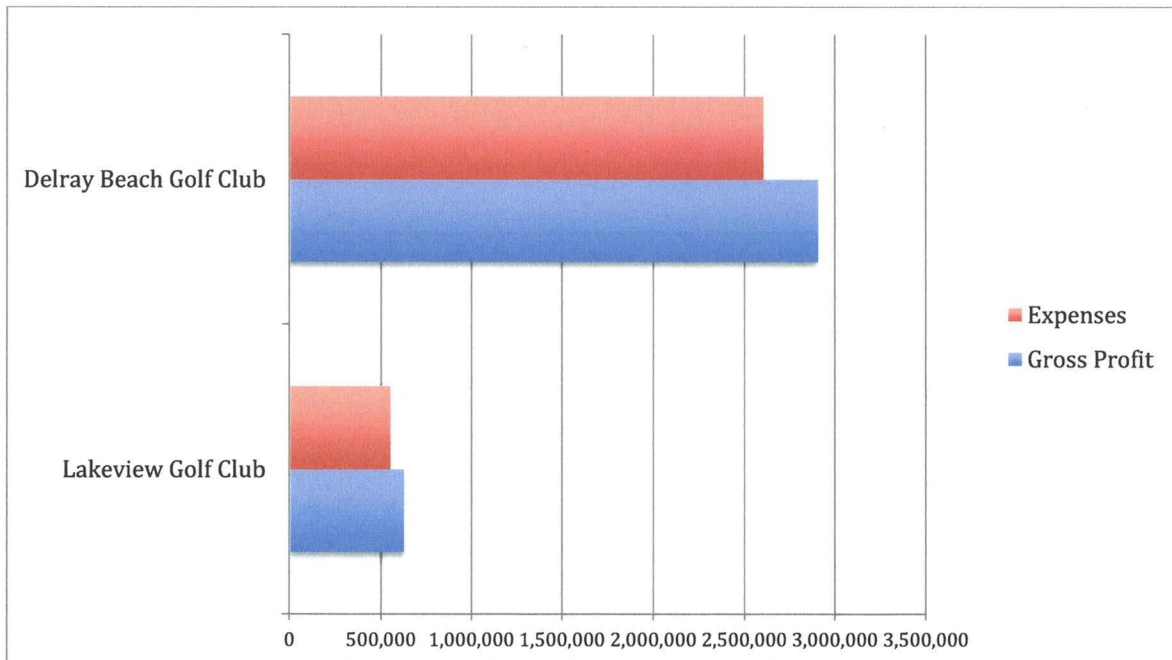
developed a recent partnership with Integrity Golf Company (IGC), which has a relationship with the Golf Channel, travel partners, and other media opportunities in the Orlando area. Through this relationship, both Delray Beach Golf Club and Lakeview Golf Club may be advertised through multiple channels to a broader market, who are intending to vacation in South Florida, than before. In addition to traditional marketing, strategic partnerships and business relationships will create unique marketing opportunities for each club.

Financials

Delray Beach Golf Club has an anticipated 4% growth in total gross revenue and Lakeview Golf Club has anticipated 8% growth in total gross profits in the 2017 fiscal year. The increase will be due to a higher number of golf rounds and increased golf fees in both Clubs as well as a new and improved restaurant food and beverage price structure for Delray Beach Golf Club.

Total expenses for Delray Beach Golf Club and Lakeview are anticipated to increase in the next fiscal year due to commodity price increase and the new FLSA regulations effective December 1, 2016. Anticipated expense increases may be lower than expected if food costs are reduced and a volunteers program can be utilized. Management understands the significance of implementing strategies that will reduce costs and increase revenue in the next fiscal year in order to maintain the business structure and continue making property improvements.

2017 Anticipated Revenue and Expenses:



Company Description and History

Mission Statement

To build lasting relationships, while growing the game of golf through valued programs, quality facilities and sincere customer service.

The Delray Beach Golf Club Mission Statement

The Municipal Golf Course will provide an enjoyable and quality golf and dining experience (including banquets and special events) that afford our citizens service and quality at affordable, competitive rates.

Delray Beach Golf Club

The City of Delray Beach purchased land for the course in 1923 and a nine-hole course was officially opened in 1926. Designed by the legendary golf course architect Donald Ross, this course continued in operation until forced to close because of World War II. After reopening the course in 1945, the City leaders voted to add an additional nine holes, making it a 6907-yard, par-72 championship course, which opened in 1950. Delray Beach Golf Club hosts many golf events in the area, some of which include the Delray Beach City Championship, the Delray Kiwanis Ed Lonie Memorial Event, Delray Senior Games, Cross Roads, the Regional High School Golf Championships and the annual Beth Daniel Clinic. Delray Beach Golf Club is a full service operation with a variety of services & amenities including a driving range, putting area, short game practice area, lesson programs, full service restaurant and bar and banquet facilities.

Delray Beach Golf Club has been managed by JCD Sports Group from 1990-Present. Over the course of these years, they have been responsible for the day-to-day management and operations as well as all major improvements completed to enhance the overall experience.

- Responsible for greens, tee and fairway renovation
- Reclaimed water irrigation and pump station system installation
- Full clubhouse and pro shop demolition and new construction including new construction oversight
- Clubhouse set-up including food and beverage selections and merchandising
- Working with local architect on major golf course renovation plan and implementation timeline
- Marketing of facility using various forms of print and social media, networking groups and radio

Lakeview Golf Club Mission Statement

The Lakeview Golf Course will be known as the best executive golf course in Palm Beach County and as a youth golf (ages 17 and under) development facility.

Lakeview Golf Club

Lakeview Golf Course opened in the Fall of 1972. The course was an amenity for the homes being built in the area surrounding Lakeview and as a marketing device for the builder.

In the early 1990's, the property was re-zoned from "AAA" to "Open Space", meaning that going forward, the course must remain a golf course or become a parcel, never to be developed into houses, condos or office buildings. In 1996, with most of the property developed around the golf course the remaining shareholders sold the course to the City of Delray Beach on July 15, 1996, making it the sister course to the Delray Beach Golf Club.

Currently managed by JCD Sports Group, Lakeview changed its name to Lakeview Golf Club and became Palm Beach County's Premier Executive Golf Course, a par-60 spanning 3,006 yards. This course favors beginners, senior golfers and juniors. The course allows walking 365-days per year, and offers snack bar services as a convenience to its customers. Lakeview hosts tournaments throughout the year and weekly Leagues for adults.

Over the course of the years that JCD Sports Group has managed the day-to-day operations, they have also improved the overall experience by:

- Greens and tee regrassing and tee leveling
- Reclaimed water irrigation and pump station system installation
- Full clubhouse and pro shop demolition and new construction oversight
- Clubhouse set-up including food and beverage selections and merchandising
- Marketing of facility using various forms of print and social media, networking groups and radio

Market Analysis

Industry Outlook:

The national sport of Golf continues to struggle with issues that impact the local golf market. Numbers of golf players have been declining, overall, in the last few years. Prior to the recession in 2008, the number of golfers trended upwards from 1995 to 2005, the sport currently is seeing decreases most years taking it just below the 1995 number of 24.7 million U.S. golfers. The latest National Golf Foundation participation numbers show only a slight decrease in 2015 from 24.7 million to 24.1 million golfers, however, the numbers have remained solid among committed golfers, beginning golfers and those interested in taking up the game.

Golfers wishing to take up the game are at an all-time high of 37 million with approximately 20% initiating their first moves.

Regionally, the South Atlantic area, including Florida, Georgia, South Carolina, North Carolina, Virginia, West Virginia, Delaware, Maryland and Washington DC, the largest percent of golfers within the United States is reported, at 19.3%. Florida remains ranked second in number of golfers behind California. The Miami-Fort Lauderdale-West Palm Beach Metro continues to thrive as the #8 out of top 10 locations for golfers.

Although the trend seems positive for Florida, the sport is still vulnerable to weather and economic factors. We are also seeing a decrease in permit holders with more and more people opting for the pay to play format. Greens fees are starting to increase, however, due to the economy improving. With course fees increasing, players will need to make a choice based on their discretionary income. The Delray Beach golf courses offer a more budget friendly option than some of the private courses in the area, giving them a competitive advantage.

Current Market

Delray Beach Golf Club: Current demographics are 40-70 years old but we are looking to expand through additional programs, events and attracting more youth to the game.

Lakeview Golf Club: Current demographics are 70-90 years old with some juniors but we are looking to expand by focusing on the 21-50 year old demographic that are either new players or return players.

SWOT Analysis

Delray Beach Golf Club:

<p><u>Strengths</u></p> <ul style="list-style-type: none"> • Location and proximity to the Avenue • New carts • Tee time availability • Active MGA/LGA associations • Affordability • Consistent course conditions • Loyalty programs (warrior, super warrior, permit holder options) • Drainage of course after heavy rains • On-site amenities • Customer service • Less seasonal than other area courses • Donald Ross design golf course • 5 sets of tees for every level of golfer 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> • Budgetary constraints • Driving range tee too small • Age of equipment • Too many bunkers affects pace of play • Antiquated phone systems • Need POS upgrade • Permit holders declining • Small bar/grille area
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Additional play with local courses closing • More weekday events • GPS on golf carts • Further develop relationship with local businesses • Add additional marketing and economy of scale advantages due to JCD Sports Group and IGC Golf Company partnership 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • Perceived notion of a municipal golf course • Continuation of rounds decreasing • Competition upgrading property / golf course irrigation / greens, etc. • Lack of capital funding • Increased costs of food and beverage, maintenance, and merchandise • Inclement weather in summer months

Lakeview Golf Club

<p><u>Strengths</u></p> <ul style="list-style-type: none"> • Outstanding customer service and appreciation • Proximity to downtown Delray Beach • New carts • Tee time availability • Affordability • Consistent course conditions • Pace of play • Very walkable course • Very few local area executive golf courses 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> • Budgetary constraints • No driving range available • Age of equipment • Golf course hidden within residential community • Executive golf course, while many are looking for par 72 • Many customers on fixed income
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Additional play with local courses closing • Increasing junior play • More charity/local tournaments • More league events • GPS on golf carts • Further develop relationship with local businesses • Add additional marketing and economy of scale advantages due to JCD Sports Group and IGC Golf Company partnership 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • Perceived notion of a municipal / executive golf course • Aging clientele • Competition upgrading property / golf course irrigation / greens, etc. • Lack of capital funding • Increased costs of food and beverage, maintenance, and merchandise • Inclement weather in summer months

Services

Delray Beach Golf Club:

Continue to develop the following golf programs, leagues and other golf-related services

- Develop and conduct youth programs and clinics to include a minimum of one youth clinic per month
- Develop and conduct youth golf summer camp (Kids Rule Summer Camp) to include a minimum of one week of half day camp (15 hours of golf instruction)
- Develop and implement golf teaching programs
- Develop and implement junior golf league
- Promote and develop a wide variety of events and programs, including junior golf, charity events, and programs for underprivileged youth
- Develop concepts for golf instruction, high school programs, youth golf programs, adult education and any additional programming.
- Home course and practice facility for Atlantic High School boys and girls golf teams
- Work with local businesses and golfers to provide summer camp scholarships for underprivileged and at risk children.
- Management and promotion of tournaments (Glow Ball, Kiwanis, Sister Cities, etc.).
- Maintain, enhance and schedule City Employee Golf League
- Develop and implement weekly golf program to attract new and/or returning golfers of all age groups including specific age groups as mentioned in this RFP (21-50 and 75+ years old).
- Promote and develop special events, golf outings and other service programs.
- Work with local businesses to develop "after work" league play offering discounts and incentives with the possibility of increasing our permit holder base.

Lakeview Golf Club:

Continue to develop the following golf programs, leagues and other golf-related services:

- Work with Delray Beach Golf Club to develop and conduct youth programs, clinics and youth golf summer camp.
- Develop and implement golf teaching programs in conjunction with Delray Beach Golf Club.
- Develop and implement junior golf league in conjunction with Delray Beach Golf Club.
- Promote and develop a wide variety of events and programs, including junior golf, charity events, and programs for underprivileged youth in conjunction with Delray Beach Golf Club.

- Develop concepts for golf instruction, high school programs, youth golf programs, adult education and any additional programming in conjunction with Delray Beach Golf Club.
- Offer golf course for local middle school boys and girls golf teams.
- Continue to work with local business and golfers to provide summer camp scholarships for underprivileged and at risk children in conjunction with Delray Beach Golf Club.
- Continue the management and promotion of tournaments.
- Develop and implement weekly golf programs to attract new and/or returning golfers of all age groups including specific age groups (21-50 and 75+ years old).
- Work with local businesses to develop "after work" league play offering discounts and incentives with the possibility of increasing our permit holder base in conjunction with Delray Beach Golf Club.
- Promote and develop special events, golf outings and other service programs.

Marketing & Sales Plan

JCD Sports Group continues to bring its expertise in Golf Course management and marketing as they have for many years. With the addition of the Integrity Golf Company partnership, Delray Beach Golf Club and Lakeview Golf Club will benefit further.

Delray Beach Golf Club Marketing Plan:

- Includes a variety of print, Internet and in-house promotions, in an attempt to reach our present and future customers.
- Utilize the Delray Beach Golf Club website and social media marketing including Facebook and Twitter.
- GolfNow Plus is utilized for television exposure and email marketing.
- Website averages 2,200 unique visitors per month with over 9,300 page views each month.
- Print media includes the Palm Beach Post, Boynton Beach Times, Delray Beach Times, SunSentinel, Tee Times newspaper and Travel Host.
- Radio / TV ads on local and national channels.
- Continue membership and involvement with the Delray Beach Chamber of Commerce.
- Continue to visit and meet with local HOA's, civic groups and charitable organizations to maintain current business and create new opportunities (Banquet facilities).
- Continue networking and cross marketing with City of Delray Beach businesses.
- Listed on online sites such as floridagolf.com, palmbeachgolf.com, worldgolf.com, foursquare.com, yelp.com, tripadvisor.com, worldgolf.com, weather.com & teetimes.com.

- Leverage relationships with City of Delray Beach Parks & Recreation, Palm Beach County Sports Commission and area PGA and LPGA tournaments to promote Lakeview Golf Club
- Listed on GolfNow, a leading provider of online tee times.
- Monthly emails sent promoting latest specials and promotions.

Lakeview Golf Club Marketing Plan:

- Includes a variety of print, Internet and in-house promotions, in an attempt to reach our present and future customers.
- Utilize the Delray Beach Golf Club website and social media marketing including Facebook and Twitter.
- GolfNow Plus is utilized for television exposure and email marketing.
- Website averages 682 unique visitors per month with over 3,049 page views each month.
- Print media includes the Palm Beach Post, Boynton Beach Times, Delray Beach Times, SunSentinel, Tee Times newspaper and Travel Host.
- Radio / TV ads on local and national channels.
- Continue membership and involvement with the Delray Beach Chamber of Commerce.
- Continue to visit and meet with local HOA's, civic groups and charitable organizations to maintain current business and create new opportunities.
- Continue networking and cross marketing with City of Delray Beach businesses.
- Listed on online sites such as floridagolf.com, palmbeachgolf.com, worldgolf.com, foursquare.com, yelp.com, tripadvisor.com, worldgolf.com, weather.com & teetimes.com.
- Leverage relationships with City of Delray Beach Parks & Recreation, Palm Beach County Sports Commission and area PGA and LPGA tournaments to promote Lakeview Golf Club
- Listed on GolfNow, a leading provider of online tee times.
- Posters and brochures used for specials and promotions within facility
- Monthly emails sent promoting latest specials and promotions.

Leverage JCD Sports Group and Integrity Golf Company's (IGC) partnership:

- Both Delray Beach Golf Club and Lakeview Golf Club will get additional exposure through IGC's annual publication where 50,000 hard copies go out to potential customers and 250,000 emailed copies.
- Due to IGC's relationship with the Golf Channel, there will be opportunities to advertise with the Golf Channel for two local courses either through social media banner ads or through an actual commercial.
- IGC is a major sponsor for the Champions Tour event in January. During this time, they will be promoting all Delray Beach and Lakeview Golf Club in their television and marketing campaign.

- Add additional value for Permit Holders by offering discounts at other golf courses managed by the JCD Sports Group or IGC. Permit holders will be able to call a concierge line for all discounts.

Financial Plan Data / Pricing Strategy

Delray Beach Golf Club
Proposed Maximum Rates
Fiscal Year 2016/2017
(Rates do not include sales tax)

	2016				2017			
	Actual Rate	Proposed Rate	Existing Maximum	Proposed Maximum	Actual Rate	Proposed Rate	Existing Maximum	Proposed Maximum
November-December								
18 Holes	\$38	\$41	\$46	\$46	\$39	\$44	\$59	\$59
9 Holes (Open to 8am)	\$15	\$17	\$24	\$24	\$15	\$17	\$30	\$30
December - April								
18 Holes	\$47	\$49	\$50	\$50	\$53	\$52	\$67	\$67
9 Holes (Open to 8am)	\$15	\$17	\$26	\$26	\$15	\$17	\$43	\$43
April-November								
18 Holes	\$28	\$29	\$32	\$32	\$30	\$30	\$37	\$37
9 Holes (Open to 8am)	\$15	\$17	\$20.50	\$20.50	\$15	\$17	\$25	\$25

Lakeview Golf Club
Proposed Maximum Rates
Fiscal Year 2016/2017
(Rates do not include sales tax)

	Actual Rate	Proposed Rate	Existing Maximum	Proposed Maximum	Actual Rate	Proposed Rate	Existing Maximum	Proposed Maximum
November-December								
Walk	\$20.50	\$23	\$21	\$23	\$22.50	\$27	\$23	\$27
Ride	\$27.50	\$31	\$28	\$31	\$28.50	\$32	\$30	\$32
December - April								
Walk	\$22.50	\$26	\$23	\$26	\$26.50	\$30	\$27	\$30
Ride	\$31.50	\$36	\$32	\$36	\$33.50	\$39	\$34	\$39
April-November								
Walk	\$12.75	\$16	\$13	\$16	\$13.75	\$16	\$13.75	\$16
Ride	\$16.75	\$19	\$17	\$19	\$18.75	\$22	\$18.75	\$22

Financials

Overall Goals & Objectives for Revenue Enhancement:

- Increase golf revenue by raising rates/dynamic pricing/increase average rate
- Continue close out merchandise to increase not profit
- Increase food and beverage price structure
- Designing and making tee markers
- Designing and making driving range yardage markers
- Designing and making out of bounds stakes
- Sell any unused equipment assets
- In house aerification
- Reduce golf course areas of fertilization
- Reduced restaurant hours in the summer
- Reduce food cost using national account affiliations on items for resale: we are able to do this through leveraging our partnership with IGC through increased purchasing power for food and beverage. We project a savings of about 2-4% in the next fiscal year.

Overall Participation based Performance Measures:

- Increase league group average player participation over the previous year.
- Increase the number of tournaments/outings and event player numbers
- Develop new methods of enhancing customer service.
- Increase the number of customer survey responses that rate our customer service, golfer experience as excellent
- Increase the number of junior participation in programming

Performance Measures for Delray Beach Golf Course:

While the performance measures are based on the City of Delray Beach budget, we project that our net revenue will be even better than the budgeted numbers.

- Conduct a customer satisfaction survey for golf operations and obtain an overall average rating of 4.2 or better on a 1 to 5 scale.
- Conduct a customer satisfaction survey for restaurant operations and obtain an overall average rating of 4.2 or better on a 1 to 5 scale.
- Maintain a participation level of 2,850 in golf course sponsored programs
- Achieve a level of 60,375 rounds
 - This is an increase from the 59,120 rounds from the previous year and we will achieve it through:
 - Efforts to increase our local player base include:
 - People continue to have more discretionary income to spend
 - Maintain, enhance and schedule City Employee Golf League
 - Develop and implement weekly golf program to attract new and/or returning golfers of all age groups including

- specific age groups as mentioned in this RFP (21-50 years old).
- Continue to plan special events and golf outings to attract new players
 - Work with local businesses to develop “after work” league play offering discounts and incentives with the possibility of increasing our permit holder base.
 - Efforts to increase our guest player base include:
 - Leverage the new partnership with Integrity Golf Company that has a large marketing base in the Orlando area.
 - Achieve gross golf fees including Annual Permits of \$1,609,940
 - While our Annual Permits are estimated to be about the same as last year, we feel that we are poised to take on more golf rounds due to the points above.
 - Achieve gross merchandise sales of \$104,500
 - Achieved with an increase in overall players and special events (opportunities listed above)
 - Achieve gross restaurant sales of \$1,170,000.00 (not including gratuities)
 - Achieved with an increase in players, special events and total rounds (opportunities listed above)
 - Maintain budgeted operating expenses \$3,070,985
 - Achieved with an increase in players and total rounds (opportunities listed above)

	2016	2017 Budgeted
Golf Rounds	59,120	62,000
<u>Revenue</u>		
Pre-paid greens fees	71,875	70,000
Golf Fees	1,486,372	1,643,000
Driving Range	110,017	99,200
Merchandise	109,464	113,660
Miscellaneous Golf	32,856	30,930
Handicap Fees	944	1,500
Gas Tax Refund	2,095	1,750
Food Catering	638,638	640,000
Beverage Catering	106,750	90,000
Catering Gratuities	155,600	150,000
Food Restaurant	148,557	140,000
Beverage Restaurant	260,636	275,000
League Food	14,259	12,000
Miscellaneous Restaurant	26,276	31,000
Radio Rent	12,453	13,050
Tower Rent	15,505	16,000
Other	12,915	2,946
Total Revenue	3,205,212	3,330,036
<u>Cost of Goods Sold</u>		
Merchandise	75,451	79,562
Food	277,732	253,440
Beverage	92,558	91,250
Total Cost of Goods Sold	445,741	424,252
Gross Profit	2,759,419	2,905,784
<u>Payroll</u>		
Golf	272,934	269,180
Course Maintenance	399,433	426,650
Food & Beverage	597,483	651,100
General & Administrative	114,496	117,060
Total Payroll	1,384,346	1,463,346
<u>Administration Operating Expenses</u>	410,843	446,000
<u>Pro-Shop Operating Expenses</u>	71,066	87,100
<u>Maintenance Operating Expenses</u>	272,873	309,000
<u>Restaurant Operating Expenses</u>	94,845	131,250
Total Other Operating Expenses	849,627	973,350
<u>Utilities</u>	135,292	139,660

Controllable EBITDA	390,206	328,784
<u>Total Non-Controllable Operating Expense</u>	26,590	27,170
Total Operating Expenses	2,395,855	2,604,170
EBITDA	363,616	301,614
Golf Revenue Fee Per Round	25.14	26.50
Range Revenue Fee Per Round	1.86	1.60
Merchandise Revenue Fee Per Round	1.85	1.83
Restaurant Food Revenue Per Round	2.75	2.45
Restaurant Beverage Revenue Per Round	4.41	4.44
Total Average Revenue Per Round	54.22	53.71

Performance Measures for Lakeview Golf Club:

- Conduct a customer satisfaction survey and obtain an overall average rating of 4.2 or better on a 1 to 5 scale.
- Maintain a participation level of 3,200 in golf course sponsored programs
- Achieve a level of 32,000 rounds
 - This is an increase from the 31,085 rounds from the previous year and we will achieve it through:
 - Efforts to increase our local player base include:
 - Weekly golf programs to attract new and/or returning golfers with a goal of increasing our focus on the 21-50 age group
 - Junior programming
 - Complimentary introduction to golf clinics
 - Continue to plan special events and golf outings to attract new players
 - Efforts to increase our guest player base include:
 - Leverage the new partnership with Integrity Golf Company that has a large marketing base in the Orlando area
- Achieve gross golf fees including play cards of \$575,040
 - Achieved with an increase in players and total rounds (opportunities listed above)
- Achieve gross merchandise sales of \$30,000
 - Achieved with an increase in players and total rounds (opportunities listed above)
- Achieve gross Food & Beverage sales of \$50,500
 - Achieved with an increase in players and total rounds (opportunities listed above)
- Maintain budgeted operating expenses \$616,480

	2016	2017 Budgeted
Golf Rounds	31,085	32,000
<u>Revenue</u>		
Pre-paid greens fees	45,371	45,000
Golf Fees	492,610	538,350
Merchandise	27,159	30,060
Miscellaneous Golf	5,360	5,000
Gas Tax Refund	524	500
Food Restaurant	27,947	31,000
Beverage Restaurant	16,630	18,000
Vending Machine	1,186	1,500
Total Revenue	616,787	669,410
<u>Cost of Goods Sold</u>		
Merchandise	17,740	21,042
Food	16,498	17,875
Beverage	5,402	7,200
Total Cost of Goods Sold	39,640	46,117
Gross Profit	577,147	623,293
<u>Payroll</u>		
Golf	105,829	151,330
Course Maintenance	139,291	146,140
Total Payroll	245,120	297,470
<u>Administration Operating Expenses</u>	87,931	111,320
<u>Pro-Shop Operating Expenses</u>	3,822	6,000
<u>Maintenance Operating Expenses</u>	59,538	75,980
Total Other Operating Expenses	151,291	193,300
<u>Utilities</u>	46,770	52,770
Controllable EBITDA	133,966	79,753
<u>Total Non-Controllable Operating Expense</u>	6,850	6,890
Total Operating Expenses	450,031	550,430
EBITDA	127,116	72,863
Golf Revenue Fee Per Round	15.85	16.82
Merchandise Revenue Fee Per Round	0.87	0.94
Food & Beverage Revenue Per Round	0.87	0.94
Total Average Revenue Per Round	19.84	20.92

Additional Ideas to increase golf course net revenues:

(Will require policy direction from City Commission)

- Eliminate/reduce civic/charity food & beverage discounts
- Re-purpose the Delray Beach Golf Club building
- Discontinue use of the Delray Beach Golf Clubhouse as a catering operation
 - Save costs on staffing, utilities, food, supplies, etc.
- Consider leasing clubhouse/restaurant operations
 - Upfront money and save cost on staffing
- Charge surcharge in addition to greens fees for future capital (example \$1/round X 60,000 rounds = \$60,000)
- Ability to charge a cancellation fee for no show tee-times
- Have City change noise ordinance to gain an extra 30 minutes of tee times
- Research City volunteer program to replace course starters and rangers
- Selling advertising for tee signs, scorecards, golf carts, range balls, etc.
- Sell billboard space along Atlantic
- Use golf course architect to carve out acres of land for redevelop
 - With our initial consultations with a golf course architect, we believe there is an opportunity to reconfigure both golf courses. This will allow the City two parcels of property that conservatively could sell for \$2.5m each.

Exhibit D
Performance Measurements

Second Party will be responsible for reporting to the City on these performance measures in a format acceptable to the City. Second Party will provide a quarterly status report that indicates current progress and identifies any deficient areas or areas of concern. Second Party shall provide an annual report every twelve months of actual performance towards these measurements. Preferably, surveys should be conducted electronically and be received from unique customer IP addresses.

Performance Measurements – Failure to meet any one of these measurements will result in a 10% reduction in any annual Profit Sharing Incentive (as detailed in this Exhibit D) Second Party is entitled to receive. Failure to meet any two of these measurements will result in a 20% reduction in any annual Profit Sharing Incentive Second Party is entitled to receive. Failure to meet three or more of these measurements will result in a 50% reduction in any annual Profit Sharing Incentive Second Party is entitled to receive.

DELRAY BEACH MUNICIPAL GOLF CLUB
<p>Performance Measurement 1: On the customer satisfaction surveys, obtain an overall quarterly average rating of 4.2 or better on a scale of 1 to 5, with 5 being the highest. Standard: Conduct a random customer satisfaction survey of the Delray Beach Golf Club golf course operations one time every quarter issued to a minimum of 150 unique customers who have utilized the golf course during the past twelve months.</p>
<p>Performance Measurement 2: On the customer satisfaction surveys, obtain an overall quarterly average rating of 4.2 or better on a scale of 1 to 5, with 5 being the highest. Standard: Conduct a random customer satisfaction survey of the Delray Beach Golf Club retail operations one time every quarter issued to a minimum of 50 unique customers who have utilized the retail operations during the past twelve months.</p>
<p>Performance Measurement 3: On the customer satisfaction surveys, obtain an overall average rating of 4.2 or better on a scale of 1 to 5 with 5 being the highest. Standard: Conduct a random customer satisfaction survey of the Delray Beach Golf Club food and beverage operations one time every quarter issued to a minimum of 150 unique customers who have utilized the food and beverage operations during the past twelve months.</p>
<p>Performance Measurement 4: Maintain an enrollment level of at least 2,850 participants in golf course sponsored programs at Delray Beach Golf Club, including but not limited to summer camps, specialty clinics and tournaments. Standard: Conduct a variety of golf programs geared to all demographics, especially targeting those in community groups or underserved populations who would not otherwise be able to participate in the programs.</p>

Performance Measurement 5: Achieve a level of 60,375 paid rounds, per year at Delray Beach Golf Club.

Standard: Market and promote the Delray Beach Golf Club to engage current and attract new customers through website, social media, email, telemarketing and on-site promotions.

Performance Measurement 6: Achieve gross golf fees including Annual Permits of at least \$1,610,000 per year at Delray Beach Golf Club.

Standard: Market and promote the Delray Beach Golf Club to increase player activity.

Performance Measurement 7: Achieve gross merchandise sales in the retail store of at least \$104,500 per year at Delray Beach Golf Club.

Standard: Market and promote the retail store to boost sales through quarterly discounts, sales and/or promotions.

Performance Measurement 8: Accuracy of retail merchandise inventory must be within 2% of the reported inventory dollar value (starting inventory + inventory received – inventory sold). Inventory received and inventory sold must be reported on Monthly Report.

Standard: Conduct a quarterly inventory of merchandise in the retail operations conducted by a minimum of two people.

Performance Measurement 9: Achieve gross food and beverage sales of \$1,170,000 per year, including beverage sales (excluding gratuities) at Delray Beach Golf Club.

Standards: Market and promote the Delray Beach Golf Club restaurant, catering and bar to grow revenues.

LAKEVIEW GOLF CLUB

Performance Measurement 10: On the customer satisfaction surveys, obtain an overall quarterly average rating of 4.2 or better on a scale of 1 to 5, with 5 being the highest.

Standard: Conduct a random customer satisfaction survey of the Lakeview Golf Club golf course operations one time every quarter issued to a minimum of 75 unique customers who have utilized the golf course during the past twelve months.

Performance Measurement 11: Maintain an enrollment level of at least 3,200 participants in golf course sponsored programs at Lakeview Golf Club including but not limited to summer camps, specialty clinics, and tournaments.

Standard: Conduct a variety of golf programs geared to all demographics especially targeting those in community groups or underserved populations who would not otherwise be able to participate in the programs.

Performance Measurement 12: Achieve a level of 32,000 paid rounds, per year at Lakeview Golf Club.

Standard: Market and promote the Delray Beach Golf Club to engage current and attract new customers through website, social media, email and telemarketing.

Performance Measurement 13: Achieve gross golf fees including Play Cards of \$576,000 at Lakeview Golf Club.

Standard: Market and promote the Delray Beach Golf Club to increase player activity.

Performance Measurement 14: Achieve gross merchandise sales in the retail store of at least \$30,000 per year at Lakeview Golf Club.

Standard: Market and promote the retail store to boost sales through quarterly discounts, sales and promotions.

Performance Measurement 15: Achieve gross food and beverage sales of at least \$50,500 at Lakeview Golf Club.

Standards: Market and promote the Lakeview Golf Club snack bar and bar to grow revenues.

COURSE & CLUBHOUSE RESTROOM MAINTENANCE

Performance Measurement 16: No more than two occurrences in any three month period in which cleanliness and stocking of the Course and Clubhouse Restrooms and/or water coolers does not meet the standards below. The City will conduct periodic inspections to confirm stocking of supplies and cleanliness is consistently maintained. Proof of inspections and completion of tasks shall be indicated on the Daily Facility Maintenance form and will be verified by City staff during regular inspections.

(a) Course & Clubhouse Restrooms

Standards:

- (1) Hourly inspections and cleaning of restrooms on course and in clubhouse.
- (2) As required during each hourly inspection but no less than three times per day; complete the tasks below to ensure restrooms are fully stocked, clean, and orderly.

- Restock supply of paper towels near sinks
- Restock toilet tissue to include a second roll for each toilet.
- Clean mirrors with glass cleaner
- Clean and wipe down sinks with disinfectant cleaner
- Restock toiletries
- Clean toilets and urinals with disinfectant cleaner
- Mop floors with a disinfectant cleaner
- Wipe down all shelves with disinfectant cleaner
- Wipe down all stall doors and walls with disinfectant cleaner

(b) Course Water Coolers

Standards:

- (1) Hourly inspection of water levels in the water coolers on the course.
- (2) As required during each hourly inspection but no less than three times per day, discard remaining water and replace with fresh water;
- (3) One time per day prior to opening, clean and sanitize water coolers.

**PROFIT/LOSS SHARING STRUCTURE
BASED ON NET INCOME* VS. EXPENSES (PROFIT)**

Up to \$25,000 Profit - Profit Sharing Incentive = 0% of net profit
\$25,001 - \$50,000 Profit – Profit Sharing Incentive = 15% of net profit
\$50,001 - \$75,000 Profit – Profit Sharing Incentive = 20% of net profit
\$75,001 and up Profit – Profit Sharing Incentive = 25% of net profit

EXAMPLE: Profit of \$70,000/yr x 20% = \$14,000 Profit Sharing Incentive to JCD

Maximum Profit Sharing Incentive paid to JCD by the City shall be \$50,000 per year.

NOTE: If the combined net income of the golf courses does not exceed the expenses for the specified one-year period, Second Party will pay the City an amount equal to 25% of the loss up to a maximum of \$50,000 per year.

* Net income as defined by Generally Accepted Accounting Principles (GAAP) pursuant to government. Calculation of profit sharing does not include Depreciation, Amortization and Capital Expenditure costs.

NOTE: Profit/loss sharing will be calculated per each fiscal year, beginning with October 1, 2016 through September 30, 2017 and each fiscal year thereafter.

Exhibit D, (cont'd)
Anticipated Expenses

Delray Beach Golf Club and Lakeview Golf Club								
2013 - 2015 actual and 2016 - 2021 projected expense line items required								
	2013	2014	2015	2016	2017	2018	2019	2020
Delray Beach Golf Club								
Contract - Management Fee	126,987	122,873	123,901	129,300	130,000	130,000	130,000	130,000
Payroll processing	3,910	4,626	4,700	4,000	4,600	4,600	4,600	4,600
Contract - Fee - Group Ins - Admin	14,087	10,228	15,039	17,250	16,000	16,000	16,000	16,000
Contract - Fee - Group Ins - Pro-shop	24,428	10,730	6,807	5,700	17,000	17,000	17,000	17,000
Contract - Fee - Group Ins -	34,024	20,818	19,464	31,500	36,000	36,000	36,000	36,000
Contract - Fee - Group Ins -	42,456	19,433	21,589	25,300	30,000	30,000	30,000	30,000
Travel - Mileage - Administration	655	780	845	800	800	800	800	800
Travel - Mileage - Pro-shop	271	778	-	750	750	750	750	750
General Liability/Work Comp Ins -	71,759	74,295	77,733	87,220	93,000	93,000	93,000	93,000
Payroll								
Golf	232,444	251,494	245,095	269,180	275,000	275,000	275,000	275,000
Course Maintenance	326,028	375,832	373,280	393,650	435,000	435,000	435,000	435,000
Food & Beverage	599,013	604,349	592,610	651,100	664,000	664,000	664,000	664,000
General & Administrative	91,322	98,225	106,609	117,060	119,000	119,000	119,000	119,000
Subtotal as per required fee structure	1,567,384	1,594,461	1,587,672	1,732,810	1,821,150	1,821,150	1,821,150	1,821,150
Lakeview Golf Club								
Contract - Management Fee	26,033	25,962	26,033	26,400	30,000	30,000	30,000	30,000
Travel - Mileage	-	100	208	350	350	350	350	350
Payroll processing	2,347	2,446	2,500	2,500	2,500	2,500	2,500	2,500
Contract - Fee - Group Ins - Pro-shop	33,295	8,853	9,633	11,300	14,000	14,000	14,000	14,000
Contract - Fee - Group Ins -	12,898	6,885	4,471	4,100	8,000	8,000	8,000	8,000
General Liability/Work Comp Ins -	18,013	20,322	19,335	23,500	20,000	20,000	20,000	20,000
Payroll								
Golf	133,822	138,757	133,761	151,330	155,000	155,000	155,000	155,000
Course Maintenance	111,777	107,843	97,692	136,910	149,000	149,000	149,000	149,000
Subtotal as per required fee	338,185	311,168	293,633	356,390	378,850	378,850	378,850	378,850
Total as per required fee structure	1,905,569	1,905,629	1,881,305	2,089,200	2,200,000	2,200,000	2,200,000	2,200,000

EXHIBIT E, FEES

Full Management Fee: Delray Beach Golf Club Lakeview Golf Club	<u>\$4,400,000.00 - two year contract</u> Please see notes below and analysis on the following page.
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*As required in RFP this two year fee encompasses all of the payroll, payroll taxes and payroll associated costs for employees including employer cost for group insurance, worker's comp, general liability insurance and golf course employee travel for both Delray Beach and Lakeview Golf Club. This fee represents an appropriately staffed facility 365 days a year and will afford a well conditioned course and excellent customer service.

Please note in this fee structure, the City is not able to realize the savings that may occur throughout the year due to weather conditions. For example, if there is a weather event in which the course is closed, our management style is to reduce staffing while not negatively affecting customer service or satisfaction. In the model requested in the RFP, the City would not benefit from these cost savings as we are not able to predict the weather and must estimate costs based on full service daily.

Therefore, JCD/IGC is willing to offer options for the City to realize all savings while still producing a well conditioned course and excellent customer service. We have listed options below and as you see in the concluding narrative, we would be willing to negotiate any variation thereof.

Option A. A flat management fee of \$140,000 with all expenses paid directly by the City as pass through expenses.

Option B. A flat management fee of \$195,000 and reimbursement of all agreed upon expenses within the terms stated in the RFP.

It is and has been our desire to work with the City in whatever way possible to ensure the City receives the cost savings we are able to generate. Over the past years we have been able to reduce expenses based on revenues generated, weather conditions, and any other circumstance that may produce a savings. We are willing to negotiate a blend of payment options or/services including a longer contract so the City can capture the benefits of our efforts.