

**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 2021-2022**  
**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, as well as maintenance facility upgrades. Challenges to improvements include budgetary constraints and increased costs. Introducing new players to the course, adding more weekday play and continuing to strengthen our partnerships within the community will assist in diminishing these challenges.

Lakeview Golf Club officially opened in 1972 and was acquired 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 league play with the closing of Sherwood Golf Course and also increasing daily play will create opportunities for growth this upcoming year. Junior camps and junior play also present opportunities for growth.

### ***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 the City Commission. Using these strategies as guidelines, both Delray Beach Golf Club and Lakeview Golf Club will develop specific goals and timelines.

## ***Marketing Plan***

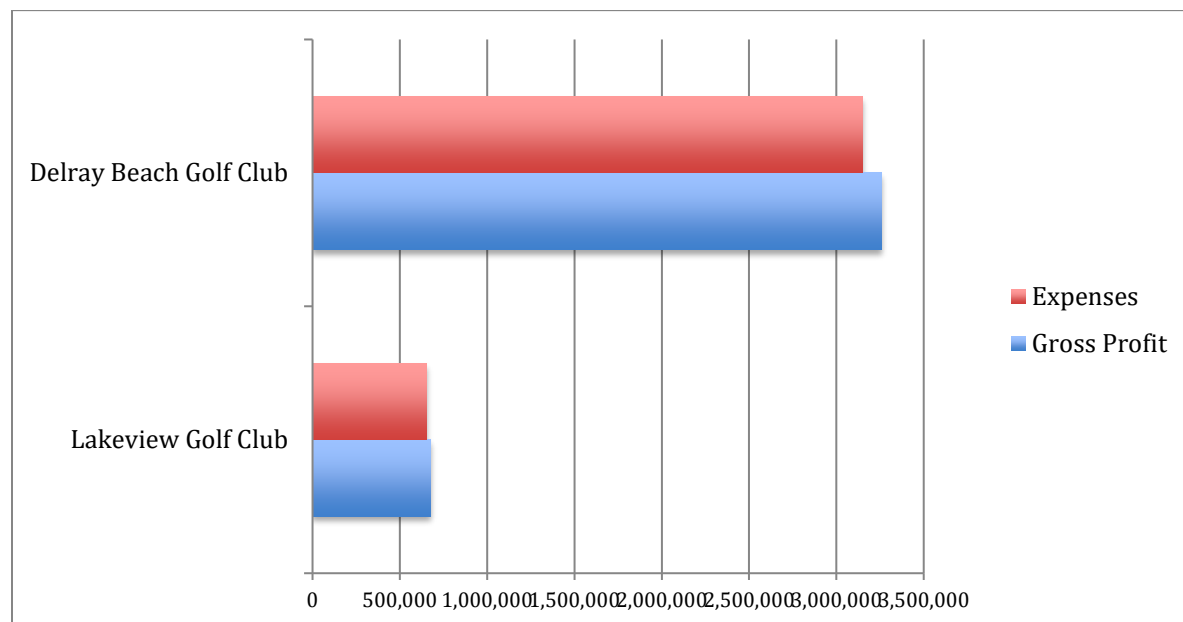
Delray Beach Golf Club and Lakeview Golf Club each have a marketing plan that includes a variety of print, Internet, television and strategic partnerships. Print media includes local newspapers and travel magazines. Internet marketing comprises websites, social media, and email campaigns. JCD Sports group is partners with GolfNow, which are part of the network the Golf Channel, NBC, Universal and with EZLinks which is the partner of the PGA Tour and TeeOff.com. Through these relationships both Delray Beach and Lakeview Golf Club are advertised through multiple channels and to a broad market of customers who are planning to vacation in the area. In addition to traditional marketing, strategic partnerships and business relationships will create unique marketing opportunities for each club.

## ***Financials***

Delray Beach has an anticipated 16% growth in total gross revenue and Lakeview Golf Club has an anticipated 4% growth in total gross profits in 2022. The increase will be due to a higher rate average per golf round and increased golf fees in clubs as well as increased food and beverage price structure.

Total expenses for Delray Beach Golf Club and Lakeview are anticipated to increase in the next fiscal year approximately 2% for facilities due to commodity price increases. Management understands the significance of implementing strategies that will reduce cost and increase revenue in the next fiscal year in order to maintain the business structure and continue making property improvements.

### ***2022 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 and the City of Delray Beach on major golf course renovation planning and implementation timeline
- Marketing of facility using various forms of print and social media and networking groups



### ***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 including 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 and networking groups
- Rebuilding putting green
- Managing Covid-19 and providing safe space for customers

### **Market Analysis**

#### ***Industry Outlook:***

The game of golf remains popular and is fortunate to have enjoyed increased participation across the country in 2020. Golf is a sport that many considered as a safe way to stay active and healthy during the pandemic. The pay-for-play green fee revenues and other spending will always be vulnerable to outside forces, such as weather, the economy, however its chief challenge remains getting more non-golfers who express interest in playing to actually give golf a try and converting more beginners into committed participants.

Participation numbers show some net attrition from occasional and less committed golfers; however the vast majority of “core” golfers remain the game. When Baby Boomers retire over the next 10-12 years the industry expects to see a measurable increase in total rounds played in the U.S. The Social Security Administration reports that 10,000 or more Boomers retire every day which help feed the golf market.

Delray Beach Golf Club and Lakeview Golf Club offer a more budget friendly option than area private courses and this gives 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:**

<u>Strengths</u> <ul style="list-style-type: none"><li>• Location and proximity to the Avenue</li><li>• Tee time availability</li><li>• Active MGA/LGA associations</li><li>• Affordability</li><li>• Consistent course conditions</li><li>• Loyalty programs (warrior, super warrior, permit holder options)</li><li>• Drainage of course after heavy rains</li><li>• On-site amenities</li><li>• Customer service</li><li>• Less seasonal than other area courses</li><li>• Donald Ross/Dick Wilson design golf course</li><li>• 5 sets of tees for every level of golfer</li></ul>	<u>Weaknesses</u> <ul style="list-style-type: none"><li>• Budgetary constraints</li><li>• Driving range tee too small</li><li>• Age of equipment</li><li>• Too many bunkers affects pace of play</li><li>• Over 23 years with no fairway regrassing</li><li>• Over 19 years with no greens regrassing</li><li>• Irrigation system needs updating</li><li>• Permit holders declining</li><li>• Small bar/grille area</li></ul>
<u>Opportunities</u> <ul style="list-style-type: none"><li>• Additional play with local courses closing</li><li>• More weekday events</li><li>• Further develop relationship with local businesses</li></ul>	<u>Threats</u> <ul style="list-style-type: none"><li>• Perceived notion of a municipal golf course</li><li>• Continuation of rounds decreasing</li><li>• Competition upgrading property / golf course irrigation / greens, etc.</li><li>• Lack of capital funding</li><li>• Increased costs of food and beverage, maintenance, and merchandise</li><li>• Inclement weather in summer months</li><li>• COVID-19</li></ul>

## Lakeview Golf Club:

<u>Strengths</u> <ul style="list-style-type: none"><li>• Outstanding customer service and appreciation</li><li>• Proximity to downtown Delray Beach</li><li>• Tee time availability</li><li>• Affordability</li><li>• Consistent course conditions</li><li>• Pace of play</li><li>• Walking Course 7-days</li><li>• Very few local area executive golf courses</li></ul>	<u>Weaknesses</u> <ul style="list-style-type: none"><li>• Budgetary constraints</li><li>• No driving range available</li><li>• Age of equipment</li><li>• Golf course hidden within residential community</li><li>• Executive golf course, while many are looking for par 72</li><li>• Many customers on fixed income</li></ul>
<u>Opportunities</u> <ul style="list-style-type: none"><li>• Additional play with local courses closing</li><li>• Increasing junior play</li><li>• More charity/local tournaments</li><li>• More league events</li><li>• Further develop relationship with local businesses</li><li>• Increased rounds with closing of area executive courses</li></ul>	<u>Threats</u> <ul style="list-style-type: none"><li>• Perceived notion of a municipal / executive golf course</li><li>• Aging clientele</li><li>• Competition upgrading property / golf course irrigation / greens, etc.</li><li>• Lack of capital funding</li><li>• Increased costs of food and beverage, maintenance, and merchandise</li><li>• Inclement weather in summer months</li><li>• COVID-19</li></ul>

## **Services**

### ***Delray Beach Golf Club:***

Continue to develop the following golf programs, leagues and other golf-related services within COVID19 CDC guidelines:

- 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
- Maintain, enhance and schedule City Employee Golf League
- Develop and implement golf programs 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 a 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 courses 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 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.

### ***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 over 2,200 unique visitors per month with over 7,800 page views each month.
- Print media includes the Palm Beach Post, Boynton Beach Times, Delray Beach Times, SunSentinel, Tee Times newspaper and Travel Host.
- TV ads on local and national channels.
- Continue membership and involvement with the Delray Beach Chamber of Commerce.
- Continue to speak 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.
- FiveStar Marketing Tool utilizing texting for club events 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 Lakeview Golf Club website and social media marketing including Facebook and Twitter.
- GolfNow Plus is utilized for television exposure and email marketing.

- Print media includes the Palm Beach Post, Boynton Beach Times, Delray Beach Times, SunSentinel, Tee Times newspaper and Travel Host.
- TV ads on local and national channels.
- Continue membership and involvement with the Delray Beach Chamber of Commerce.
- Continue to speak 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.



## Financial Plan Data / Pricing Strategy

### DELRAY BEACH GOLF CLUB PROPOSED MAXIMUM RATES FISCAL YEAR 2021/2022 (rates do not include sales tax)

	<u>RESIDENT</u>			<u>NON-RESIDENT</u>		
	2020-2021 CURRENT ACTUAL RATE	2020-2021 EXISTING MAXIMUM	2021-2022 PROPOSED MAXIMUM	2020-2021 CURRENT ACTUAL RATE	2020-2021 EXISTING MAXIMUM	2021-2022 PROPOSED MAXIMUM
<b>November - December</b>						
18 HOLES	\$45.00	\$49.00	\$49.00	\$45.00	\$59.00	\$59.00
9 HOLES (Open to 8:00 am)	\$23.00	\$24.00	\$26.00	\$23.00	\$30.00	\$30.00
<b>December - April</b>						
18 HOLES	\$57.00	\$60.00	\$60.00	\$57.00	\$67.00	\$67.00
9 HOLES (Open to 8:00 am)	\$25.00	\$26.00	\$28.00	\$25.00	\$43.00	\$43.00
<b>April - November</b>						
18 HOLES	\$30.84	\$32.00	\$34.00	\$30.84	\$37.00	\$37.00
9 HOLES (Open to 8:00 am)	\$15.42	\$20.50	\$20.50	\$15.42	\$25.00	\$25.00

### Lakeview Golf Club Proposed Maximum Rates Fiscal Year 2021-2022 (rates do not include sales tax)

	<u>Resident</u>			<u>Non-Resident</u>		
	2020-2021 CURRENT ACTUAL RATE	2020-2021 EXISTING MAXIMUM	2021-2022 PROPOSED MAXIMUM	2020-2021 CURRENT ACTUAL RATE	2020-2021 EXISTING MAXIMUM	2021-2022 PROPOSED MAXIMUM
<b>November - December</b>						
Walk	\$18.00	\$25.00	\$25.00	\$18.00	\$27.00	\$27.00
Ride	\$28.50	\$33.00	\$33.00	\$28.50	\$34.00	\$34.00
<b>December - April</b>						
Walk	\$25.00	\$28.00	\$28.00	\$25.00	\$30.00	\$30.00
Ride	\$35.00	\$36.00	\$38.00	\$35.00	\$39.00	\$39.00
<b>April - November</b>						
Walk	\$15.00	\$16.00	\$18.00	\$15.00	\$16.00	\$18.00
Ride	\$20.00	\$21.00	\$23.00	\$20.00	\$22.00	\$23.00

## **Financials**

### ***Overall Goals & Objectives for Revenue Enhancement:***

- Increase golf revenue by raising rates/dynamic pricing/increase average rate
- Introduce a new merchandising plan and enhance pro shop appearance to increase net 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
- Reduced restaurant hours in the summer

### ***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 net revenues could exceed 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.
- Achieve a level of 60,000 rounds
- This is an increase from the projected 56,000 rounds from fiscal year 2021 and we will achieve this increase through:
  - Efforts to increase our local player base include:
    - Develop and implement weekly golf programs to attract new and/or returning golfers of all age groups including specific age groups.
    - 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.
    - Replace aging equipment which will assist in providing a better playing surface.
    - Achieve gross golf fees including Annual Permits of \$1,636,115

- Achieve gross merchandise sales of \$120,000
- Achieve gross restaurant sales of \$1,157,000 (not including gratuities)
- Maintain budgeted operating expenses \$3,175,900

	<b>2021 Projected</b>	<b>2022 Budgeted</b>
<b>Golf Rounds</b>	60,000	60,000
<b><u>Revenue</u></b>		
Pre-paid greens fees	\$ 70,000	\$ 70,000
Golf Fees	\$ 1,541,115	\$ 1,566,115
Driving Range	\$ 135,000	\$ 135,000
Merchandise	\$ 120,000	\$ 120,000
Miscellaneous Golf	\$ 30,930	\$ 30,930
Handicap Fees	\$ 1,500	\$ 1,500
Food Catering	\$ 390,000	\$ 640,000
Beverage Catering	\$ 55,000	\$ 90,000
Catering Gratuities	\$ 85,000	\$ 150,000
Food Restaurant	\$ 90,000	\$ 140,000
Beverage Restaurant	\$ 240,000	\$ 275,000
League Food	\$ 12,000	\$ 12,000
Miscellaneous Restaurant	\$ 25,000	\$ 25,000
Radio Rent	\$ 13,930	\$ 13,930
Tower Rent	\$ 17,470	\$ 17,470
<b>Total Revenue</b>	<b>\$ 2,826,945</b>	<b>\$ 3,286,945</b>
<b><u>Cost of Goods Sold</u></b>		
Merchandise	\$ 84,000	\$ 84,000
Food	\$ 170,120	\$ 285,120
Beverage	\$ 75,250	\$ 87,600
<b>Total Cost of Goods Sold</b>	<b>\$ 329,370</b>	<b>\$ 456,720</b>
<b>Gross Profit</b>	<b>\$ 2,497,575</b>	<b>\$ 2,830,225</b>
<b><u>Payroll</u></b>		
Golf	\$ 272,840	\$ 300,840
Course Maintenance	\$ 444,250	\$ 448,250
Food & Beverage	\$ 460,630	\$ 683,630
General & Administrative	\$ 123,370	\$ 123,370
<b>Total Payroll</b>	<b>\$ 1,301,090</b>	<b>\$ 1,556,090</b>



<b><u>Administration Operating Expenses</u></b>	\$ 408,596	\$ 434,409
<b><u>Pro-Shop Operating Expenses</u></b>	\$ 104,327	\$ 113,950
<b><u>Maintenance Operating Expenses</u></b>	\$ 338,504	\$ 353,500
<b><u>Restaurant Operating Expenses</u></b>	\$ 117,843	\$ 158,340
<b>Total Other Operating Expenses</b>	<b>\$ 969,270</b>	<b>\$ 1,060,199</b>
<b><u>Utilities</u></b>	\$ 110,775	\$ 102,892
<b>Total Operating Expenses</b>	<b>\$ 2,381,135</b>	<b>\$ 2,719,181</b>
<b>EBITDA</b>	<b>\$ 116,440</b>	<b>\$ 111,044</b>
Golf Revenue Fee Per Round	\$ 25.69	\$ 26.10
Range Revenue Fee Per Round	\$ 2.25	\$ 2.25
Merchandise Revenue Fee Per Round	\$ 2.00	\$ 2.00
Restaurant Food Revenue Per Round	\$ 1.50	\$ 2.33
Restaurant Beverage Revenue Per Round	\$ 4.00	\$ 4.58
<b>Total Average Revenue Per Round</b>	<b>\$ 47.12</b>	<b>\$ 54.78</b>



**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.
- Achieve a level of 30,000 rounds
  - 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
- Achieve gross golf fees including play cards of \$580,294
- Achieve gross merchandise sales of \$30,000
- Achieve gross Food & Beverage sales of \$59,500
- Maintain budgeted operating expenses \$672,658

	<b>2021 Projected</b>	<b>2022 Budgeted</b>
<b>Golf Rounds</b>	30,000	30,000
<b><u>Revenue</u></b>		
Pre-paid greens fees	\$ 60,000	\$ 60,000
Golf Fees	\$ 520,294	\$ 520,294
Merchandise	\$ 30,000	\$ 30,000
Miscellaneous Golf	\$ 5,000	\$ 5,000
Food Restaurant	\$ 20,000	\$ 38,000
Beverage Restaurant	\$ 14,000	\$ 20,000
Vending Machine	\$ 1,500	\$ 1,500
<b>Total Revenue</b>	<b>\$ 650,794</b>	<b>\$ 674,794</b>
<b><u>Cost of Goods Sold</u></b>		
Merchandise	\$ 21,000	\$ 21,000
Food	\$ 12,725	\$ 21,725
Beverage	\$ 5,000	\$ 8,000
<b>Total Cost of Goods Sold</b>	<b>\$ 38,725</b>	<b>\$ 50,725</b>
<b>Gross Profit</b>	<b>\$ 612,069</b>	<b>\$ 624,069</b>
<b><u>Payroll</u></b>		
Golf	\$ 193,600	\$ 205,470
Course Maintenance	\$ 151,141	\$ 153,140
<b>Total Payroll</b>	<b>\$ 344,741</b>	<b>\$ 358,610</b>



<b><u>Administration Operating Expenses</u></b>	\$ 100,243	\$ 103,506
<b><u>Pro-Shop Operating Expenses</u></b>	\$ 19,670	\$ 21,900
<b><u>Maintenance Operating Expenses</u></b>	\$ 95,980	\$ 97,980
<b>Total Other Operating Expenses</b>	<b>\$ 215,893</b>	<b>\$ 223,386</b>
<b><u>Utilities</u></b>	\$ 42,088	\$ 39,937
<b>Total Operating Expenses</b>	<b>\$ 641,447</b>	<b>\$ 672,658</b>
<b>EBITDA</b>	<b>\$ 9,347</b>	<b>\$ 2,136</b>
Golf Revenue Fee Per Round	\$ 17.34	\$ 17.34
Merchandise Revenue Fee Per Round	\$ 1.00	\$ 1.00
Food & Beverage Revenue Per Round	\$ 1.13	\$ 1.93
<b>Total Average Revenue Per Round</b>	<b>\$ 21.69</b>	<b>\$ 22.49</b>



## 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.

<b>DELRAY BEACH MUNICIPAL GOLF CLUB</b>
<p><b>Performance Measurement 1:</b> 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. <b>Standard:</b> 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><b>Performance Measurement 2:</b> 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. <b>Standard:</b> 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><b>Performance Measurement 3:</b> 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. <b>Standard:</b> 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><b>Performance Measurement 4:</b> 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. <b>Standard:</b> 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
<b>Delray Beach Golf Club</b>								
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
<b>Payroll</b>								
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
<b>Subtotal as per required fee structure</b>	<b>1,567,384</b>	<b>1,594,461</b>	<b>1,587,672</b>	<b>1,732,810</b>	<b>1,821,150</b>	<b>1,821,150</b>	<b>1,821,150</b>	<b>1,821,150</b>
<b>Lakeview Golf Club</b>								
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
<b>Payroll</b>								
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
<b>Subtotal as per required fee</b>	<b>338,185</b>	<b>311,168</b>	<b>293,633</b>	<b>356,390</b>	<b>378,850</b>	<b>378,850</b>	<b>378,850</b>	<b>378,850</b>
<b>Total as per required fee structure</b>	<b>1,905,569</b>	<b>1,905,629</b>	<b>1,881,305</b>	<b>2,089,200</b>	<b>2,200,000</b>	<b>2,200,000</b>	<b>2,200,000</b>	<b>2,200,000</b>

## EXHIBIT E, FEES

<b>Full Management Fee: Delray Beach Golf Club Lakeview Golf Club</b>	<b>\$4,400,000.00 - two year contract</b> 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.