



Agenda

Greenville City Council

May 7, 2012
6:00 PM
City Council Chambers
200 West Fifth Street

Assistive listening devices are available upon request for meetings held in the Council Chambers. If an interpreter is needed for deaf or hearing impaired citizens, please call 252-329-4422 (voice) or 252-329-4060 (TDD) no later than two business days prior to the meeting.

I. Call Meeting To Order

II. Invocation - Mayor Pro-Tem Glover

III. Pledge of Allegiance

IV. Roll Call

V. Approval of Agenda

- **Public Comment Period**

The Public Comment Period is a period reserved for comments by the public. Items that were or are scheduled to be the subject of public hearings conducted at the same meeting or another meeting during the same week shall not be discussed. A total of 30 minutes is allocated with each individual being allowed no more than 3 minutes. Individuals who registered with the City Clerk to speak will speak in the order registered until the allocated 30 minutes expires. If time remains after all persons who registered have spoken, individuals who did not register will have an opportunity to speak until the allocated 30 minutes expires.

VI. Consent Agenda

1. Resolution accepting dedication of rights-of-way and easements for Emerald Park, Phase 1, Section 2
2. Declaration of Perpetual Land Use Restrictions for Greenville Utilities Commission's former Manufactured Gas Plant Site
3. Series resolution for Greenville Utilities Commission for vehicles and heavy equipment purchases through installment purchase financing

VII. Old Business

4. Ordinance amending certain definitions in the Traffic Regulations chapter of the Greenville City Code

VIII. New Business

5. Presentation of the proposed fiscal year 2012-2013 operating budget and fiscal year 2013-2014 financial plan for:
 - a. City of Greenville
 - b. Greenville Utilities Commission
6. Bradford Creek Golf Course operational alternatives
7. Establishment of fair market value of City-owned property in Paramore Park
8. Budget ordinance amendment #10 to the 2011-2012 City of Greenville budget (Ordinance #11-038) and amendment to the Green Mill Run Greenways Capital Project Fund (Ordinance #12-007.02)

IX. Review of May 10, 2012 City Council Agenda

X. Comments from Mayor and City Council

XI. City Manager's Report

XII. Closed Session

- To prevent the disclosure of information that is privileged or confidential pursuant to the law of this State or of the United States, or not considered a public record within the meaning of Chapter 132 of the General Statutes, said law rendering the information as privileged or confidential being the Open Meetings Law
- To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee

XIII. Adjournment



City of Greenville, North Carolina

Meeting Date: 5/7/2012
Time: 6:00 PM

Title of Item: Resolution accepting dedication of rights-of-way and easements for Emerald Park, Phase 1, Section 2

Explanation: In accordance with the City's Subdivision regulations, right-of-ways and easements have been dedicated for Emerald Park, Phase 1, Section 2 (Map Book 69 at Page 194). A resolution accepting the dedication of the aforementioned rights-of-way and easements is attached for City Council consideration. The final plat showing the rights-of-way and easements is also attached.

Fiscal Note: Funds for the maintenance of these rights-of-way and easements are included within the fiscal year 2011-2012 budget.

Recommendation: Adopt the attached resolution accepting dedication of rights-of-way and easements for Emerald Park, Phase 1, Section 2.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

- [Emerald Park Phase 1 Section 2 Map](#)
- [May 2012 Right of Way Resolution 924918](#)

RESOLUTION NO.

A RESOLUTION ACCEPTING DEDICATION TO THE PUBLIC OF
RIGHTS-OF-WAY AND EASEMENTS ON SUBDIVISION PLATS

WHEREAS, G.S. 160A-374 authorizes any City Council to accept by resolution any dedication made to the public of land or facilities for streets, parks, public utility lines, or other public purposes, when the lands or facilities are located within its subdivision-regulation jurisdiction; and

WHEREAS, the Subdivision Review Board of the City of Greenville has acted to approve the final plats named in this resolution, or the plats or maps that predate the Subdivision Review Process; and

WHEREAS, the final plats named in this resolution contain dedication to the public of lands or facilities for streets, parks, public utility lines, or other public purposes; and

WHEREAS, the Greenville City Council finds that it is in the best interest of the public health, safety, and general welfare of the citizens of the City of Greenville to accept the offered dedication on the plats named in this resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Greenville, North Carolina:

Section 1. The City of Greenville accepts the dedication made to the public of lands or facilities for streets, parks, public utility lines, or other public purposes offered by, shown on, or implied in the following approved subdivision plats:

Emerald Park – Phase 1 – Section 2

Map Book 69

Page 194

Section 2. Acceptance of dedication of lands or facilities shall not place on the City any duty to open, operate, repair, or maintain any street, utility line, or other land or facility except as provided by the ordinances, regulations or specific acts of the City, or as provided by the laws of the State of North Carolina.

Section 3. Acceptance of the dedications named in this resolution shall be effective upon adoption of this resolution.

Adopted the 7th day of May, 2012.

Allen M. Thomas, Mayor

ATTEST:

Carol L. Barwick, City Clerk

NORTH CAROLINA
PITT COUNTY

I, _____, Notary Public for said County and State, certify that Carol L. Barwick personally came before me this day and acknowledged that she is the City Clerk of the City of Greenville, a municipality, and that by authority duly given and as the act of the municipality, the foregoing instrument was signed in its name by its Mayor, sealed with the corporate seal, and attested by herself as its City Clerk.

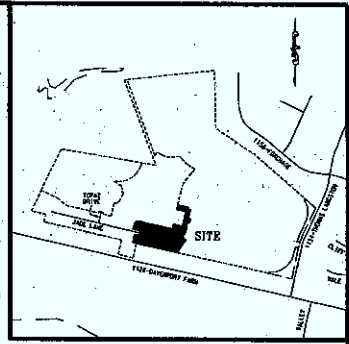
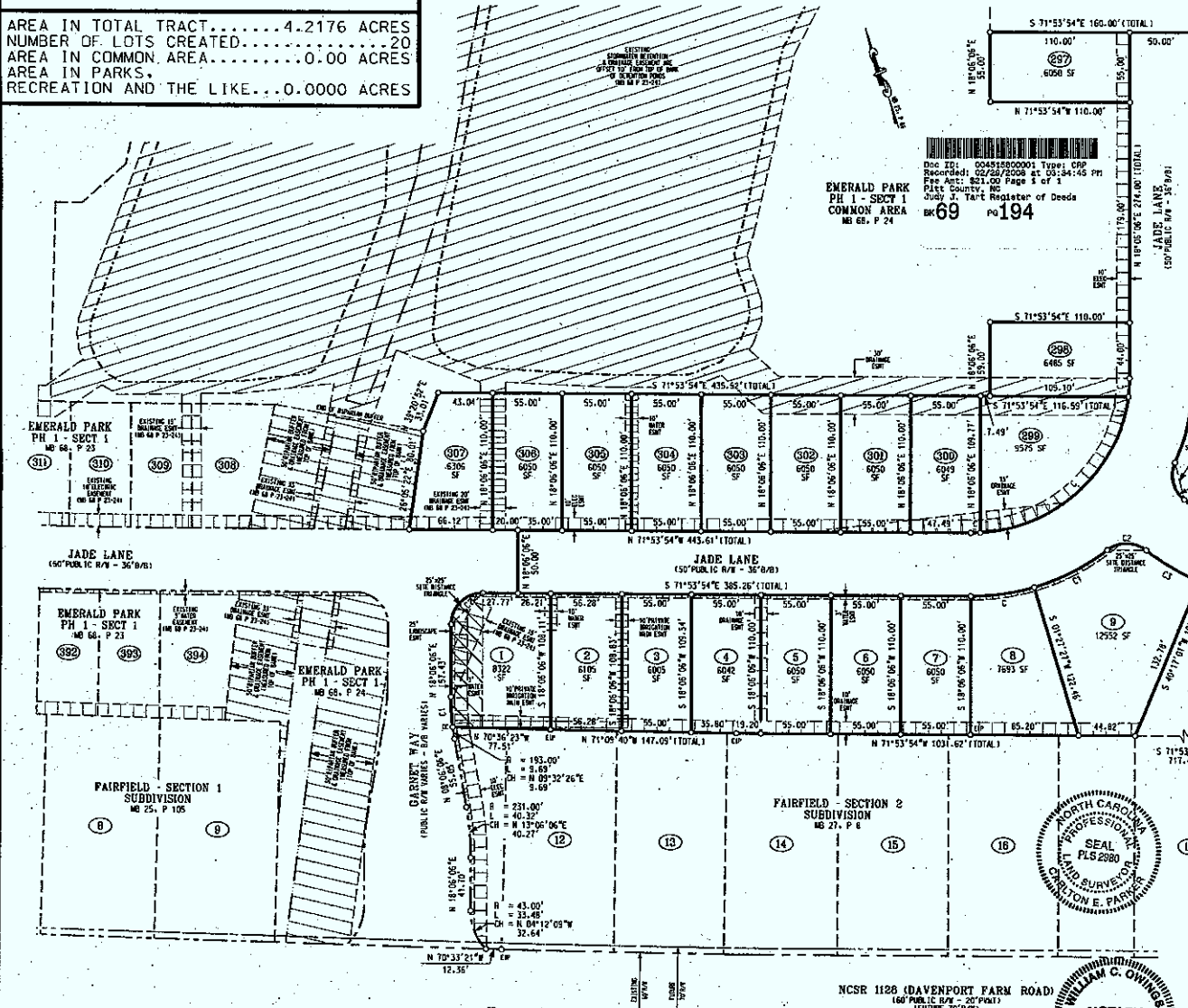
WITNESS my hand and official seal this the 7th day of May, 2012.

Notary Public

My Commission Expires:

SITE DATA - PHASE 1

AREA IN TOTAL TRACT.....4.2176 ACRES
 NUMBER OF LOTS CREATED.....20
 AREA IN COMMON AREA.....0.00 ACRES
 AREA IN PARKS,
 RECREATION AND THE LIKE...0.0000 ACRES



VICINITY MAP
1" = 1000'

CURVE DATA

LOT	CURVE	RADIUS	LENGTH	BEARING	CHORD
LOT 1	(C1)	193.00'	23.99'	N 14°32'24"E	23.98'
LOT 1	(C2)	25.00'	39.27'	N 63°06'06"E	35.26'
LOT 1	(C3)	50.64'	50.64'	N 45°53'54"E	50.66'
LOT 9	(C1)	175.00'	65.20'	N 80°47'01"E	64.83'
LOT 9	(C2)	25.00'	35.15'	S 71°53'54"E	30.78'
LOT 1	(C3)	175.00'	48.29'	S 41°48'41"E	48.14'
LOT 298	(C1)	125.00'	15.04'	S 21°32'32"E	15.03'
LOT 298	(C2)	125.00'	18.00'	S 64°48'23"E	160.15'
LOT 300	(C1)	125.00'	1.52'	N 73°37'18"W	1.52'

COPY

LEGEND

- NO POINT SET
- IRON STAKE SET (UNLESS OTHERWISE NOTED)
- EIP EXISTING IRON PIPE
- EIP-2 EXISTING IRON PIPE
- NO POINT SET
- CC CONTROL CORNER

- 1) THE DESIGNATION NOTED OVER WATER, SANITARY SEWER, GAS OR ELECTRIC LINES ARE FOR THE PURPOSE OF ESTABLISHING WIDTH OF SAID EASEMENTS. THE EASEMENTS SHOWN ARE NOT EXCLUSIVE AND WILL PERMIT THE FUTURE INSTALLATION OF WATER, SANITARY SEWER, GAS AND ELECTRIC LINES WITHIN THOSE DESIGNED WIDTHS.
- 2) THIS PROPERTY IS NOT LOCATED WITHIN A 100 YEAR FLOOD PLAIN AS SHOWN ON FIRMS STRATEGICAL & SYNTHETIC DATED 1/2/04.
- 3) ALL UTILITY AND DRAINAGE EASEMENTS ARE CENTERED ON MAINS AS INSTALLED UNLESS OTHERWISE DIMENSIONED OR NOTED.
- 4) ALL AREAS CALCULATED BY COORDINATE GEOMETRY.
- 5) EMERALD PARK, PHASE 1 SECTION 2, IS A RESIDENTIAL CLUSTER DEVELOPMENT.
- 6) COMMON AREA TO BE MAINTAINED BY THE HOME OWNERS' ASSOCIATION.
- 7) NO BUILDING, STRUCTURES, OR OTHER IMPROVEMENTS, MATERIALS AND SURFACES, INCLUDING BUT NOT LIMITED TO PRINCIPAL AND ACCESSORY STRUCTURES AND ADDITIONS OR APPURTENANCES, THEREIN, SIGNAGE, FENCES, WALLS, RECREATIONAL EQUIPMENT, COMPLEX, ANTENNAS, WASTES, AERIAL, MOUNTINGS, LANDSCAPE PLANTINGS, FILL MATERIALS, DEBRIS, SOLID WASTE COLLECTION CONTAINERS, WALL RECEPTABLES AND IMPROVED SURFACES, SHALL ENROACH WITHIN ANY DEDICATED EASEMENT WITHOUT PRIOR APPROVAL OF THE CITY OF GREENVILLE.
- 8) ALL LANDSCAPING, IRRIGATION, AND OTHER PRIVATE IMPROVEMENTS PLACED WITHIN THE RIGHTS OF WAY OF GARNET WAY, JADE LANE AND TOPAZ DRIVE SHALL BE OWNED AND MAINTAINED BY THE HOMEOWNERS ASSOCIATION OF THE EMERALD PARK SUBDIVISION.



I HEREBY CERTIFY THAT THIS SURVEY CREATES A SUBDIVISION OF LAND WITHIN A COUNTY OR MUNICIPALITY THAT HAS AN ORDINANCE THAT REGULATES SUBDIVISIONS.

William C. Owings
 WILLIAM C. OWINGS
 NOTARY PUBLIC
 STATE OF NORTH CAROLINA

I, CARLTON E. PARKER, CERTIFY THAT THIS MAP WAS DRAWN BY ME OR UNDER MY SUPERVISION FROM AN ACTUAL SURVEY BY ME OR UNDER MY SUPERVISION, THAT THE RATIO OF PRECISION AS CALCULATED FROM LATITUDES AND DEPARTURES IS 1:110,000+1 THAT THE BOUNDARIES NOT SURVEYED ARE SHOWN AS BROKEN LINES PLOTTED FROM INFORMATION FOUND IN BOOK PAGE _____ THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED. WITNESS MY ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL THIS 21ST DAY OF FEBRUARY A.D. 2008.

Carlton E. Parker
 CARLTON E. PARKER
 REVIEW OFFICER () DATE 2/20/08

MAP FOR RECORD
EMERALD PARK - PHASE 1 - SECTION 2
 A PORTION OF THE PROPERTY RECORDED IN DEED BOOK 2074, PAGE 478 OF THE PITT COUNTY REGISTRY GREENVILLE WINTERSVILLE TWSP. PITT COUNTY NORTH CAROLINA

OWNERS: COLUMBIA RIM CONSTRUCTION INC. c/o MR. JEFFREY T. HARRIS 1302 S.E. HWY. 99, SUITE 7 VANCOUVER, WA 98686 PHONE: (360) 571-0786	MR. JEFFREY T. HARRIS 1737 STATION HOUSE ROAD GREENVILLE, NC 27804 (252) 258-5511
MALPASS & ASSOCIATES 1645 EAST ARLINGTON BLVD. SUITE D GREENVILLE, N.C. 27834 (252) 766-1780	SURVEYED: JGD DATE: 11/27/07 DRAWN: JHT SCALE: 1" = 60' CHECKED: CEP SHEET NUMBER APPROVED: WKM 1 OF 1

SOURCE OF TITLE
 THIS IS TO CERTIFY THAT THE LAST INSTRUMENT(S) IN THE CHAIN OF TITLES OF THIS PROPERTY AS RECORDED IN THE PITT COUNTY REGISTRY AT GREENVILLE, NORTH CAROLINA IS:

DEED BOOK 2074 PAGE 479
 DEED BOOK _____ PAGE _____
 DEED BOOK _____ PAGE _____

Carlton E. Parker
 N.C. REGISTRATION NO. L-2980

OWNERS STATEMENT
 THIS IS EVIDENCE THAT THIS SUBDIVISION IS MADE AT THE REQUEST OF:

Jeffrey T. Harris
 OWNER
 SWORN AND SUBSCRIBED BEFORE ME THIS 21ST DAY OF February 2008.

William C. Owings
 NOTARY PUBLIC
 MY COMMISSION EXPIRES 01/18/2012

APPROVAL
 THIS FINAL PLAT, NO. 07-126 WAS APPROVED BY THE SUBDIVISION REVIEW BOARD IN ACCORDANCE WITH TITLE 9, CHAPTER 5 OF THE GREENVILLE CITY CODE THE 12TH DAY OF DECEMBER 2008.

SIGNED: *William C. Owings*
 CITY PLANNER

DEDICATION
 THE UNDERSIGNED HEREBY ACKNOWLEDGE(S) THIS PLAT AND ALL LOTS TO BE HIS FREE ACT AND DEED, AND HEREBY DEDICATES TO PUBLIC USE AS STREETS, PARKS, PLAYGROUNDS, OPEN SPACES AND EASEMENTS FOREVER. ALL AREAS AS SHOWN OR AS IMAGINED ON SAID PLAT.

SIGNED: *William C. Owings*
 ATTEST: *William C. Owings*
 MAP BOOK _____ PAGE _____

REGISTRATION
 NORTH CAROLINA, PITT COUNTY FILED FOR REGISTRATION THIS _____ DAY OF _____ 2008, AT _____ O'CLOCK _____ N. JUDY TART, REGISTER OF DEEDS.

BY: *Carlton E. Parker*
 REGISTER OF DEEDS



City of Greenville, North Carolina

Meeting Date: 5/7/2012
Time: 6:00 PM

Title of Item: Declaration of Perpetual Land Use Restrictions for Greenville Utilities Commission's former Manufactured Gas Plant Site

Explanation: Since 1992, Greenville Utilities Commission (GUC) has been proactive and diligent in taking appropriate steps to clean up and remediate what is commonly known as the Manufactured Gas Plant (MGP) Site. This was a cumbersome and lengthy process during which GUC conducted three (3) separate phases of remedial investigation to determine what contamination existed at the site, and then entered into discussions with the State of North Carolina which resulted in the execution of a Remedial Action Plan. M. Jason Manning, Environmental Compliance Coordinator for GUC, presented this matter to the GUC Board of Commissioners approximately four (4) years ago, and the Board approved the clean-up of the site pursuant to the Remedial Action Plan. Instead of requiring GUC to clean up the site to residential standards (because it was unlikely that the site would ever be used for residential purposes), the State of North Carolina only required GUC to clean up the site to industrial standards for future industrial use.

It was estimated that the costs to clean up the site to residential standards would be three (3) or four (4) times higher than the costs to clean up the site to industrial use standards. In the process of remediation of the site, 1st Street Place Properties came to GUC and to the City of Greenville with a request that it be allowed to lease some of the property for parking for the new student housing project near the Tar River Bridge. This accelerated the remediation process. We now have a 40-year lease with 1st Street Place Properties under the terms of which they are paying us rental payments of approximately \$1,400 per month. 1st Street Place Properties was informed that the properties for parking could be leased to them, but that we would still be obligated under the Remedial Action Plan to clean up the site. Please note that a parking lot is considered a suitable purpose for the property and not considered harmful to the public.

Part of the Remedial Action Plan requires us to impose restrictions and conditions to ensure that the site will not be used for residential purposes or other purposes that may be harmful to the public. For approximately six (6) months,

we have been negotiating with the State of North Carolina the terms of a Declaration of Perpetual Land Use Restrictions (DPLUR) which are similar to Restrictive Covenants that you would place on a piece of land before you build a house on it in a subdivision. Such restrictions normally establish setbacks and minimum building lines and set-aside areas for easements for utilities and drainage, and ensure a minimum priced home is built in a subdivision. The DPLUR simply ensures the property will not be used in such a way as to create a risk of harm to members of the public.

The DPLUR applies to the entire Manufactured Gas Plant (MGP) Site including the area leased to 1st Street Place Properties (Area A on the attached map) and the area upon which the City of Greenville Recreation and Parks maintenance facility is located (Area B on the attached map). Both Dave Holec, the City Attorney, and Phillip R. Dixon, GUC's Attorney, have been involved in these negotiations and have reached an agreement with the State of North Carolina with regard to the restrictions. The property leased to 1st Street Place Properties is actually owned by the City of Greenville for the use and benefit of Greenville Utilities Commission. These restrictions are required to be imposed pursuant to the Remedial Action Plan. Dave Holec did not want to have the City Council of the City of Greenville act on this until the Commission signed off on the DPLUR.

You may recall that the City has, most recently, established a greenway along the Tar River for biking, hiking and leisure, and this undertaking makes it all the more important that we close out this aspect of our Remedial Action Plan by recording these restrictions. This action is taken pursuant to a prior agreement between the State of North Carolina and Greenville Utilities Commission of the City of Greenville under the terms of the Remedial Action Plan. At the April 19, 2012, regular meeting, the GUC Board approved the Declaration of Perpetual Land Use Restrictions for the former Manufactured Gas Plant Site and recommends similar action by City Council.

The attached Declaration of Perpetual Land Use Restrictions document incorporates some editorial changes required by the North Carolina Department of Environment and Natural Resources after the GUC Board approved the document and recommended that City Council approve it. Both Phil Dixon and Dave Holec have reviewed these changes and have the opinion that these changes are minor and do not materially or substantively alter the document approved by the GUC Board and recommended to be approved by City Council.

Fiscal Note: No costs to the City.

Recommendation: Approve the Declaration of Perpetual Land Use Restrictions for the former Manufactured Gas Plant Site and recording of same at the Pitt County Register of Deeds.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Map](#)

 [Declaration of Perpetual Land Use Restrictions](#)

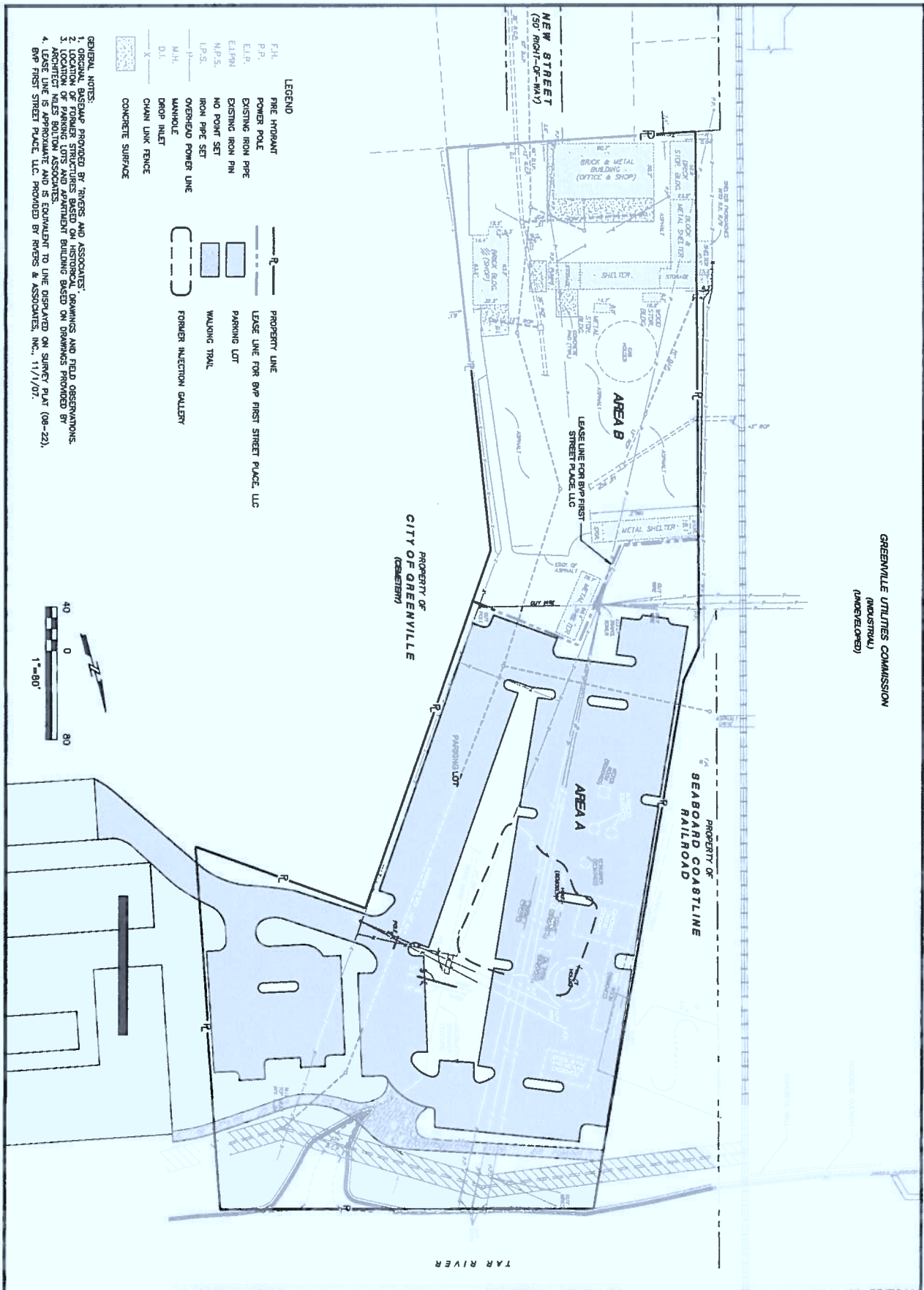


Exhibit A
SHEET NUMBER

PROPOSED SITE AREAS CORRESPONDING TO DRAFT DECLARATION OF PERPETUAL LAND USE RESTRICTIONS

Greenville Utilities Commission
Greenville, North Carolina

SCALE:	DATE:	PROJECT NUMBER:
1"=80'	12/12/11	80163896.150

AECOM

AECOM North Carolina, Inc.
8540 COLONNADE CENTER DRIVE, SUITE 306
RALEIGH, NORTH CAROLINA 27615
PHONE: (919) 872-6600
FAX: (919) 872-7996
NC LICENSE No. F-0458
WEB: [HTTP://WWW.AECOM.COM](http://www.aecom.com)

DESIGNED BY:	REVISIONS			
	NO.	DESCRIPTION	DATE	BY:
DRAWN BY:				
CHECKED BY:				
APPROVED BY:				

Item # 2

DECLARATION OF PERPETUAL LAND USE RESTRICTIONS

**For Property Owned By: City of Greenville, North Carolina, for the use and benefit of
Greenville Utilities Commission**

Former Greenville Manufactured Gas Plant Site, Pitt County, North Carolina

The real property which is the subject of this Declaration of Perpetual Land Use Restrictions ("Declaration") is contaminated with hazardous substances, and is an INACTIVE HAZARDOUS SUBSTANCE OR WASTE DISPOSAL SITE as defined by North Carolina's Inactive Hazardous Sites Response Act of 1987, which consists of Section 130A-310 through Section 130A-310.19 of the North Carolina General Statutes ("N.C.G.S."). The real property which is the subject of this Declaration shall hereinafter referred to as the "Site." This Declaration is part of a Remedial Action Plan for the Site that has been approved by the Secretary of the North Carolina Department of Environment and Natural Resources (or its successor in function), or his/her delegate, as authorized by N.C.G.S. Section 130A-310.3(f). The North Carolina Department of Environment and Natural Resources shall hereinafter be referred to as "DENR."

The City of Greenville, North Carolina, for the use and benefit of Greenville Utilities Commission, is the owner in fee simple of the Site, which is located on the South side of the Tar River and on the East side of Plant Street, with access to West 3rd Street by New Street, in the County of Pitt, City of Greenville, State of North Carolina, and is a portion of Tax Parcel No. 29030, according to the records in the Office of the Tax Assessor and Tax Collector of Pitt County, North Carolina, and the real property is legally described in Deed Book A-19, Page 306 in the Office of the Register of Deeds of Pitt County. The Site is also shown on a Notice of Inactive Hazardous Substance or Waste Disposal Site, constituting a survey plat, that is concurrently being recorded with this Declaration at Map Book 70 at Pages 98 - 99 in the Office of the Register of Deeds for Pitt County. An unrecorded copy of said survey plat is attached hereto as Exhibit A.

For the purpose of protecting public health and the environment, the City of Greenville, North Carolina, for the use and benefit of Greenville Utilities Commission (GUC), hereby declares that all of the Site shall be held, sold and conveyed subject to the following perpetual land use restrictions, which shall run with the land; shall be binding on all parties having any right, title or

interest in the Site or any part thereof, their heirs, successors and assigns; and shall, as provided in N.C.G.S. Section 130A-310.3(f), be enforceable without regard to lack of privity of estate or contract, lack of benefit to particular land, or lack of any property interest in particular land. These restrictions shall continue in perpetuity and cannot be amended or canceled unless and until the Pitt County Register of Deeds receives and records the written concurrence of the Secretary of DENR (or its successor in function), or his/her delegate. If any provision of this Declaration is found to be unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired.

PERPETUAL LAND USE RESTRICTIONS

1. Except as approved in advance in writing by DENR or its successor in function, the Site shall be used exclusively for non-residential purposes.
2. Construction of a paved parking facility and greenway on the Site through the placement of clean fill material and appropriate sub-base and asphalt paving is permitted.
3. Mowing of vegetation and tree pruning is allowed on the Site.
4. Activities necessary to maintain the security of the Site, prevent human exposure to contaminated materials and to prevent erosion of the contaminated soil at the Site are permitted, if approved in advance in writing by DENR or its successor in function.
5. Except as approved in advance in writing by DENR or its successor in function, all other uses of the Site are prohibited, specifically including, but not limited to, the following:
 - a. The Site shall not be used for child care centers, schools, parks, recreational areas (other than greenways) or athletic fields.
 - b. The Site shall not be used for agricultural or grazing purposes or for timber production.
 - c. The Site shall not be used for kennels, private animal pens, or for riding clubs.
 - d. The Site shall not be used for mining, extraction of coal, oil, gas or any other minerals or non-mineral substances.
 - e. Unpaved portions of the Site shall not be used for sporting activities of any kind, except that the restriction on sporting activities shall not apply to the Greenway area located along the river.
 - f. Any underground water within Area A of the Site shall not be used for any purpose. The installation of groundwater wells or other devices for access to groundwater for

any purpose other than environmental remediation or monitoring groundwater quality is prohibited.

- g. Except as approved in advance in writing by DENR or its successor in function, no excavation or disturbance of surface of subsurface native or fill earthen materials, including installation of utilities, shall occur within Area A or Area B of the Site.
6. Any workers performing activities that may cause them to encounter contaminated soil or contaminated groundwater shall have all appropriate health and safety training as required by Occupational Safety and Health Administration (OSHA) regulation 29 CFR 1910.120, prior to performing any activities within the Site. Any contaminated media removed from any depth must be managed and disposed of in accordance with applicable local, state and federal laws, statutes and regulations.
7. Any new building constructed or placed within the Site shall include one of the following:
 - a. A vapor barrier or control system consistent with then applicable law and standards and approved by DENR or its successor in function prior to installation; or
 - b. An evaluation completed consistent with then applicable law and standards, including any applicable American Society for Testing & Materials (ASTM) standards, demonstrating that a vapor barrier or control system is not needed to control human exposure to regulated substances under then applicable legal standards. This evaluation must be submitted to and approved in writing by DENR or its successor in function prior to building construction or placement.
8. The Greenville Utilities Commission or its successor in function shall submit a letter report, containing the notarized signature of an authorized Officer of GUC or its successor in function, in January of each year on or before January 31st, to DENR, or its successor in function, confirming that this Declaration is still recorded in the Office of the Pitt County Register of Deeds and that activities and conditions at the Site remain in compliance with the land use restrictions herein¹.
9. No person conducting environmental assessment or remediation at the Site, or involved in determining compliance with applicable land use restrictions, at the direction of, or pursuant to a permit or order issued by DENR or its successor in function may be denied access to the Site for the purpose of conducting such activities.
10. The owner of any portion of the Site shall cause the instrument of any sale, lease, grant, or other transfer of any interest in the Site to include a provision expressly requiring the lessee,

¹ Greenville Utilities Commission (GUC) was established by the State of North Carolina in 1905 "for the proper management of the public utilities within the City of Greenville." As such, GUC manages the utilities of the City, but the City owns the utilities and all associated assets, for the use and benefit of the Commission. GUC, or its successor in function, will submit and notarize the annual letter report since the Site was used as part of the utility operations.

grantee, or transferee to comply with this Declaration. The failure to include such provision shall not affect the validity or applicability of any land use restriction in this Declaration.

REPRESENTATIONS AND WARRANTIES

The City of Greenville hereby represents and warrants to the other signatories hereto that:

it is the sole owner of the Site but holds title for the use and benefit of Greenville Utilities Commission;

it holds fee simple title subject to the interests or encumbrances identified in Exhibit B attached hereto and incorporated by reference herein;

it has the power and authority to enter into this Declaration, to grant the rights and interests herein provided and to carry out all obligations hereunder;

it has provided to DENR the names of all other persons that own an interest in or hold an encumbrance on the Site and has notified such persons of the owner's intention to enter into this Declaration; and

this Declaration will not materially violate or contravene or constitute a material default under any other agreement, document or instrument to which it is a party or by which it may be bound or affected.

ENFORCEMENT

The above land use restrictions are an integral part of the remedy for the contamination at the Site. Adherence to the restrictions is necessary to protect public health and the environment. These land use restrictions shall be enforced by any owner, operator, or other party responsible for any part of the Site. The above land use restrictions may also be enforced by DENR through the remedies provided in N.C.G.S. Chapter 130A, Article 1, Part 2 or by means of a civil action, and may also be enforced by any unit of local government having jurisdiction over any part of the Site. Any attempt to cancel this Declaration without the approval of DENR or its successor in function shall constitute noncompliance with the Remedial Action Plan approved by DENR for the Site, and shall be subject to enforcement by DENR to the full extent of the law. Failure by any party required or authorized to enforce any of the above restrictions shall in no event be deemed a waiver of the right to do so thereafter as to the same violation or as to one occurring prior or subsequent thereto.

FUTURE SALES, LEASES, CONVEYANCES AND TRANSFERS

When any portion of the Site is sold, leased, conveyed or transferred, pursuant to N.C.G.S. Section 130A-310.8(e) the deed or other instrument of transfer shall contain in the description section, in no smaller type than that used in the body of the deed or instrument, a statement that the real property being sold, leased, conveyed, or transferred has been used as a hazardous substance or

waste disposal site and a reference by book and page to the recordation of the Notice of Inactive Hazardous Substance or Waste Disposal Site referenced in this Declaration.

OWNER SIGNATURE

IN WITNESS WHEREOF, the City of Greenville, North Carolina, for the use and benefit of Greenville Utilities Commission, has executed this Declaration through its Mayor as attested by its City Clerk, who has affixed the official seal of the City of Greenville, pursuant to the authority of the City Council, City of Greenville, duly given; and, Greenville Utilities Commission has executed this Declaration through its Chairman, as attested by its Secretary, who has affixed its official seal, pursuant to the authority of the Board of Commissioners of the Greenville Utilities Commission duly given, for the purposes herein expressed.

Effective on the _____ day of _____, 2012.

CITY OF GREENVILLE

By _____
ALLEN M. THOMAS, MAYOR

ATTEST:

CAROL L. BARWICK, CITY CLERK

(SEAL)

GREENVILLE UTILITIES COMMISSION

By _____
J. FREEMAN PAYLOR, CHAIR

ATTEST:

DON H. EDMONSON, SECRETARY

(SEAL)

NORTH CAROLINA
PITT COUNTY

I, _____, a Notary Public of the aforesaid County and State, certify that CAROL L. BARWICK personally came before me this day and acknowledged that she is City Clerk of the City of Greenville, North Carolina, and that by authority duly given and as the act of the City of Greenville, North Carolina, the foregoing instrument was signed in its name by its Mayor, ALLEN M. THOMAS, sealed with its official seal and attested by her as its City Clerk.

WITNESS my hand and official stamp or seal, this the ____ day of _____, 2012.

NOTARY PUBLIC

My Commission Expires:

NORTH CAROLINA
PITT COUNTY

I, _____, a Notary Public of the aforesaid County and State, certify that DON H. EDMONSON, personally came before me this day and acknowledged that he is SECRETARY of the Greenville Utilities Commission, and that by authority duly given and as the act of the Greenville Utilities Commission, the foregoing instrument was signed in its name by its Chair, J. FREEMAN PAYLOR, sealed with its official seal and attested by him as its Secretary.

WITNESS my hand and official stamp or seal, this the ____ day of _____, 2012.

NOTARY PUBLIC

My Commission Expires:

APPROVAL AND CERTIFICATION OF THE NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

The foregoing Declaration of Perpetual Land Use Restrictions is hereby approved and certified.

By: _____

Jack Butler, Chief
Superfund Section
Division of Waste Management
North Carolina Department of Environment and
Natural Resources

STATE OF NORTH CAROLINA
COUNTY OF PITT

I, _____, a Notary Public of the aforesaid County and State, certify that _____ personally appeared before me this day, produced proper identification in the form of _____, and signed this Declaration.

WITNESS my hand and official seal this _____ day of _____, 2012.

Notary Public

My Commission expires: _____

(SEAL)

REGISTER OF DEEDS CERTIFICATION

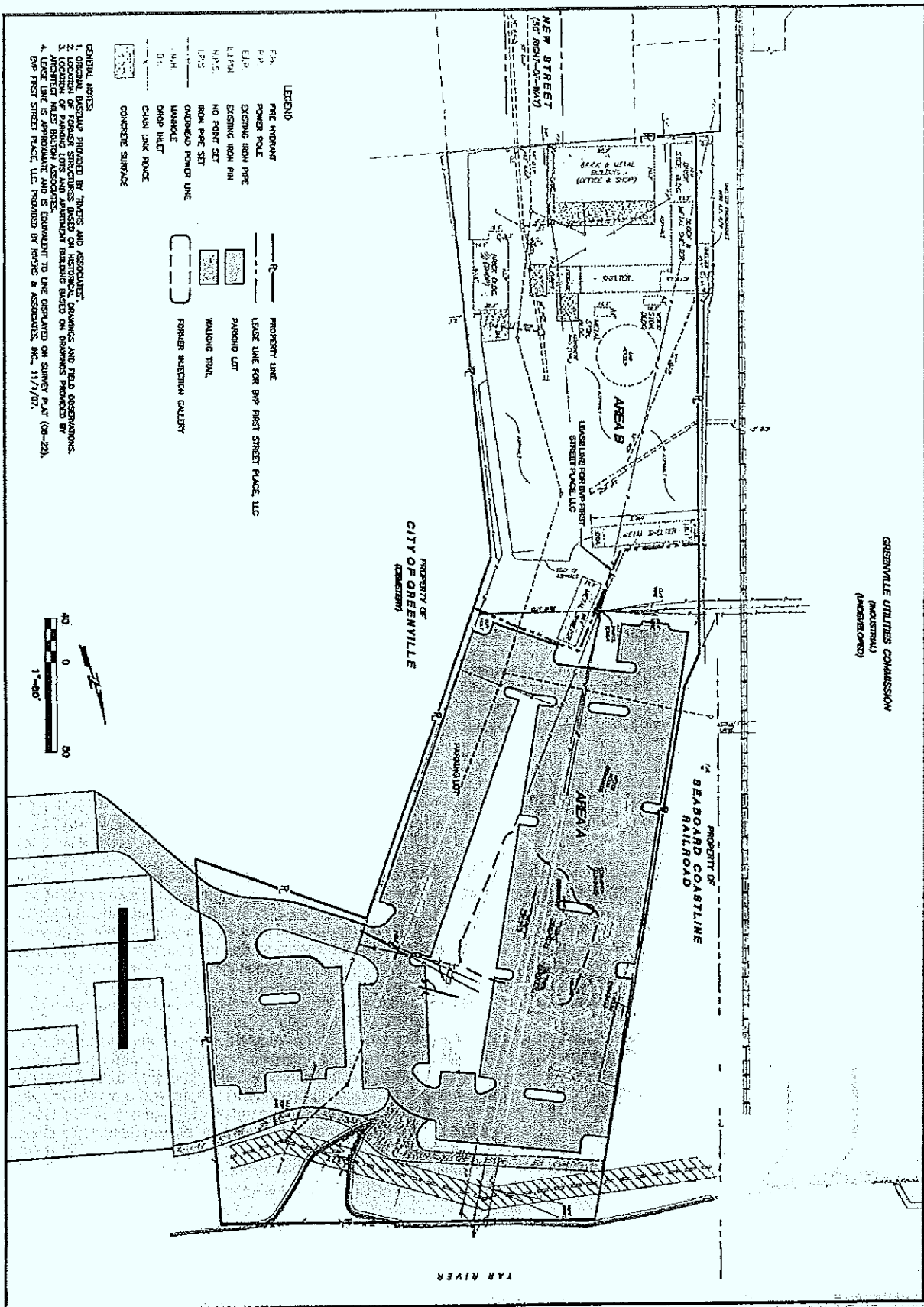
The foregoing Declaration of Perpetual Land Use Restrictions is certified to be duly recorded at the date and time, and the Book and Page, shown on the first page hereof.

Register of Deeds for Pitt County

By: _____
(signature)

(type or print name and title)

EXHIBIT A



GENERAL NOTES:
 1. ORIGINAL DESIGN PROVIDED BY TRAVIS AND ASSOCIATES, CHARLOTTE, NC. FIELD OBSERVATIONS.
 2. LOCATION OF PROPOSED STREETS AND AREAS OF PUBLIC UTILITY BASED ON DRAWINGS PROVIDED BY ARCHITECT WALTER BULLOCK ASSOCIATES.
 3. LEGAL LINE IS APPROXIMATE AND IS EQUIVALENT TO LINE OPERATED ON SURVEY PLAN (04-22), DRP FIRST STREET PLACE, LLC. PROVIDED BY TRAVIS & ASSOCIATES, INC., 11/17/07.

- LEGEND**
- F.H. FIRE HYDRANT
 - P.P. POWER POLE
 - E.R.P. EXISTING ROAD PIN
 - N.P.S. NO ROAD SET
 - R.P.P. ROAD PIPE SET
 - O.P.L. OVERHEAD POWER LINE
 - M.H. MANHOLE
 - D.I. DEEP INLET
 - C.L.F. CHAIN LINK FENCE
 - C.S. CONCRETE SURFACE

- PROPERTY LINE
- LEGAL LINE FOR DRP FIRST STREET PLACE, LLC
- PARKING LOT
- WALKING TRAIL
- FORMER SELECTION QUALITY



GREENVILLE UTILITIES COMMISSION
(INDUSTRIAL)
(UNDEVELOPED)

PROPERTY OF
CITY OF GREENVILLE
(EXISTING)

PROPERTY OF
SEABOARD COASTLINE
RAILROAD

TAR RIVER

Exhibit A SHEET NUMBER	PROPOSED SITE AREAS CORRESPONDING TO DRAFT DECLARATION OF PERPETUAL LAND USE RESTRICTIONS Greenville Utilities Commission Greenville, North Carolina	AECOM AECOM North Carolina, Inc. 8740 COLONADE CENTER DRIVE, SUITE 306 RALEIGH, NORTH CAROLINA 27615 PHONE: (919) 872-6600 FAX: (919) 872-7996 NC LICENSE No. F-0458 WEB: HTTP://WWW.AECOM.COM	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">DESIGNED BY</th> <th colspan="3">REVISIONS</th> </tr> <tr> <th>No.</th> <th>DESCRIPTION</th> <th>DATE</th> <th>BY</th> </tr> </thead> <tbody> <tr> <td>DRAWN BY</td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td>CHECKED BY</td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td>APPROVED BY</td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	DESIGNED BY	REVISIONS			No.	DESCRIPTION	DATE	BY	DRAWN BY					CHECKED BY					APPROVED BY				
	DESIGNED BY	REVISIONS																								
No.		DESCRIPTION	DATE	BY																						
DRAWN BY																										
CHECKED BY																										
APPROVED BY																										
SCALE 1"=80'	DATED 12/12/11	PROJECT NUMBER 80183888.150	Item # 2																							

Exhibit B

That the owner of the Site holds fee simple title subject to the following interests or encumbrances:

A portion of the subject property is subject to a Lease Agreement between the City of Greenville, North Carolina, for the use and benefit of Greenville Utilities Commission, and BVP FIRST STREET PLACE, LLC, a Delaware Limited Liability Company, which said original Ground Lease dated October 12, 2007, is evidenced by a Memorandum of Lease dated November 30, 2007 and recorded in Book 2441 at Page 679, Pitt County Public Registry, and a Memorandum of Lease Terms dated January 23, 2009 appearing of record in Book 2581 at Pages 92-98, Pitt County Public Registry, which said lease term extends through and until 11:59 p.m. on July 31, 2048. Reference is hereby made to that certain Assignment of Lease dated January 11, 2008 and that certain Memorandum of Assignment of Lease dated January 11, 2008, recorded in Book 2441 at Pages 685-689, Pitt County Public Registry.



City of Greenville, North Carolina

Meeting Date: 5/7/2012
Time: 6:00 PM

Title of Item: Series resolution for Greenville Utilities Commission for vehicles and heavy equipment purchases through installment purchase financing

Explanation: At the outset of FY 2011-12, GUC planned to obtain an installment purchase loan for approximately \$1,137,000 to procure several pieces of vehicles and heavy equipment to sustain operations. On March 27, 2012, a Request for Proposals for a 36-month and a 59-month installment loan for \$1,137,000 was distributed to nine (9) banks. Six (6) responses were received.

After evaluating the proposals, the 36-month installment financing proposal from Wells Fargo was determined to be the optimal fit for GUC. Wells Fargo's rate of interest is 1.34% for 36 months.

Currently, the bid proposals received to date for the vehicles and equipment are \$166,648 lower than originally estimated. The amount of the installment loan will not exceed the amount needed for the procurement of vehicles, equipment, and associated financing costs.

At the April 19, 2012, regular meeting, the GUC Board approved the Series Resolution for financing of up to \$1,137,000 and recommends similar action by City Council.

Fiscal Note: No costs to the City.

Recommendation: Adopt the attached Series Resolution.

Attachments / click to download

 [Resolution](#)

A regular meeting of the City Council of the City of Greenville, North Carolina was held in the City Council Chamber at the City Hall in Greenville, North Carolina, the regular place of meeting, on May __, 2012 at 6:00 P.M.

Present: Mayor Allen M. Thomas, presiding, and Councilmembers

Absent: _____

* * * * *

Mayor Thomas introduced the following resolution, a copy of which had been provided to each Councilmember and which was read by its title:

RESOLUTION NO. 12-

SERIES RESOLUTION AUTHORIZING THE INCURRENCE OF ADDITIONAL INDEBTEDNESS THROUGH THE EXECUTION AND DELIVERY OF AN INSTALLMENT FINANCING AGREEMENT WITH WELLS FARGO BANK, N.A. IN AN AMOUNT OF UP TO \$1,137,000 PURSUANT TO THE PROVISIONS OF SECTION 216 OF THE BOND ORDER ADOPTED BY THE CITY COUNCIL ON AUGUST 11, 1994, AMENDED AND RESTATED AS OF APRIL 13, 2000.

WHEREAS, the City of Greenville, North Carolina (the “City”), a municipal corporation in Pitt County, North Carolina, owns certain public utility or public service enterprise facilities comprising an electric system, a natural gas system, a sanitary sewer system and a water system, within and without the corporate limits of the City (collectively, the “Combined Enterprise System”), and

WHEREAS, in accordance with Chapter 861 of the 1992 Session Laws of North Carolina, the Greenville Utilities Commission (the “Commission”) has been created for the proper management of the public utilities of the City, within and without the corporate limits of the City, with responsibility for the entire supervision and control of the management, operation, maintenance, improvement and extension of the public utilities of the City, including the Combined Enterprise System; and

WHEREAS, the City Council of the City (the “City Council”) adopted, on August 11, 1994, a bond order, which, among other things, authorizes and secures Greenville Utilities Commission Combined Enterprise System Revenue Bonds of the City, which order was amended and restated as of April 13, 2000 (the “Order”); and

WHEREAS, Section 216 of the Order authorizes the incurrence or assumption of Additional Indebtedness (as defined in the Order) for any lawful purpose of the City related to the ownership or operation of the Combined Enterprise System (as defined in the Order); and

WHEREAS, the Commission and the City Council have determined that it is necessary to acquire certain equipment for the Combined Enterprise System, which equipment is described in Appendix A attached hereto; and

WHEREAS, the Commission and the City Council have determined to finance a portion of the cost of paying for such equipment by incurring Additional Indebtedness through the execution and delivery of an installment financing agreement, pursuant to Section 160A-20 of the General Statutes of North Carolina, with Wells Fargo Bank, N.A., referred to herein as the “2012 Installment Financing Agreement”; and

WHEREAS, the City Council has received information to the effect that the City will be able to satisfy the requirements of Section 216 of the Order with respect to the 2012 Installment Financing Agreement; and

WHEREAS, pursuant to Section 216 of the Order, the 2012 Installment Financing Agreement is to have such terms and provisions as may be provided by a series resolution to be adopted by the City Council prior to the incurrence of said Additional Indebtedness; and

WHEREAS, the Commission has adopted a resolution to the effect that it approves the provisions of this resolution and recommends to the City Council that the City Council adopt this series resolution authorizing and setting forth the terms and provisions of the 2012 Installment Financing Agreement;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GREENVILLE, NORTH CAROLINA DOES HEREBY DETERMINE AND RESOLVE, as follows:

Section 1. Definitions. Capitalized words and terms used in this series resolution (this “Resolution”) and not otherwise defined herein shall have the meanings given to them in the Order.

Section 2. Authorization of the 2012 Installment Financing Agreement. (A) The 2012 Installment Financing Agreement. Pursuant to the Enabling Act and Section 216 of the Order, the City Council hereby authorizes the incurrence of Additional Indebtedness through the execution and delivery of the 2012 Installment Financing Agreement with Wells Fargo Bank, N.A. in a principal amount of up to \$1,137,000 for the purpose of providing funds, together with any other available funds, for (1) paying, or reimbursing the Commission and the City for paying for certain equipment described in Appendix A hereto and (2) paying expenses incidental and necessary or convenient thereto.

(B) 2012 Installment Financing Agreement Provisions. The 2012 Installment Financing Agreement shall be executed on such date, shall be effective as of such date, bear interest at the rate, shall be repaid, subject to prepayment, in the amounts and on the dates, all as hereinafter provided.

(C) Interest. Interest on the 2012 Installment Financing Agreement shall begin to accrue on the unpaid principal balance thereof from the date of execution of the Installment Financing Agreement and shall be payable annually on or before each interest payment date, determined pursuant to Section 3(C) hereof, until the principal balance of the 2012 Installment Financing Agreement is paid or prepaid in accordance with its terms.

(D) Principal. Principal on the 2012 Installment Financing Agreement shall be payable annually on or before each principal payment date, determined pursuant to Section 3(C) hereof, all as set forth in the 2012 Installment Financing Agreement.

(E) Prepayment of the 2012 Installment Financing Agreement. The 2012 Installment Financing Agreement shall be prepayable in accordance with its terms.

Section 3. Delegation and Standards. The City Council hereby delegates to any Authorized Officer of the Commission, the Interim City Manager and the Director of Financial Services of the City, subject to the limitations contained herein, the power to determine and carry out the following with respect to the 2012 Installment Financing Agreement:

(A) Principal Amount. To determine the aggregate principal amount of the 2012 Installment Financing Agreement, such principal amount, up to \$1,137,000, to be sufficient for the purposes described in Section 2(A) of this Resolution;

(B) Interest Rates. To determine the interest rate on the 2012 Installment Financing Agreement, which interest rate shall not exceed 1.34% per annum.

(C) Repayment of the 2012 Installment Financing Agreement. To determine the interest payment dates and principal payment dates for the payment of the Installment Financing Agreement, such payment dates not to extend to 60 months or longer after the date of execution of the 2012 Installment Financing Agreement;

(D) Execution Date and Effective Date. To determine the date of execution of the 2012 Installment Financing Agreement and the effective date of the 2012 Installment Financing Agreement;

(E) Other Provisions. To determine any other provisions deemed advisable and not in conflict with the provisions of this Resolution or the Order.

Section 4. Series Certificate. The General Manager of the Commission, an Authorized Officer of the Commission, the Interim City Manager or the Director of Financial Services of the City shall execute a certificate or certificates evidencing determinations or other actions taken pursuant to the authority granted in this Resolution, and any such certificate or certificates shall be conclusive evidence of the action taken.

Section 5. Form of the 2012 Installment Financing Agreement. The 2012 Installment Financing Agreement shall be substantially in the form attached hereto as Appendix B, with such variations, omissions and insertions as are required or permitted by this Resolution or the Order and the Interim City Manager and the Director of Financial Services of the City each are hereby authorized to execute the 2012 Installment Financing Agreement, such execution to be

conclusive evidence of the approval thereof by the City. In addition, the General Manager of the Commission or an Authorized Officer of the Commission is hereby authorized to signify their approval of the 2012 Installment Financing Agreement by the execution of an approval thereof, such execution to be conclusive evidence of the approval of the Commission.

Section 6. Method of Payment of the 2012 Installment Financing Agreement. All principal and interest on the 2012 Installment Financing Agreement shall be made payable as specified in the 2012 Installment Financing Agreement on or before each principal and interest payment date.

Section 7. Application of Proceeds of the 2012 Installment Financing Agreement. Moneys received by the City or the Commission pursuant to the 2012 Installment Financing Agreement shall be deposited to Wells Fargo Bank, N.A. for the benefit of the City and Commission to be used to pay costs described in Section 2(A) hereof.

Section 8. Application of Certain Revenues. In accordance with the provisions of Section 507 of the Order and after making the payments required by paragraphs (a) - (e) thereof, the Commission shall withdraw from the Operating Checking Account moneys held for the credit of the Appropriate Operating Funds in such amounts as shall be necessary for the purpose of making principal and interest payments on the 2012 Installment Financing Agreement.

Section 9. Authorization to City and Commission Officials. The officers, agents and employees of the City and the Commission are hereby authorized and directed to do all acts and things required of them by the provisions of the 2012 Installment Financing Agreement, the Order and this Resolution for the full, punctual and complete performance of the terms, covenants, provisions and agreements therein.

Section 10. Effective Date. This Resolution shall take effect immediately upon its adoption.

Adopted this the ____ day of May, 2012.

Allen M. Thomas
Mayor

[SEAL]

ATTEST:

Carol L. Barwick
City Clerk

APPENDIX A

EQUIPMENT

60' Bucket Truck Hybrid
64' Aerial Tower Unit with Forestry Body
(7) 2011 Ford Ranger
(3) 2011 Ford F-150
(2) 2012 Ford F-350
2011 Ford F-250
2012 Ford F-750 w/Godwin Dump Truck
Trench/Backhoe replacement
Utility Trailer
Compact Backhoe replacement
Right of Way Tractor 110 HP
Transformer DryMax Trailer
Crew Cab
Mini Crawler/Loader for systems

APPENDIX B

FORM OF INSTALLMENT FINANCING AGREEMENT

This instrument has been pre-audited
in the manner required by The Local
Government Budget and Fiscal Control Act.

Bernita W. Demery
Director of Financial Services

INSTALLMENT FINANCING AND SECURITY AGREEMENT

Dated as of May __, 2012

between

CITY OF GREENVILLE, NORTH CAROLINA

and

WELLS FARGO BANK, N.A.

and approved by

GREENVILLE UTILITIES COMMISSION

TABLE OF CONTENTS

Page

ARTICLE I DEFINITIONS AND EXHIBITS

SECTION 1.1	Definitions and Rules of Construction.....	2
SECTION 1.2	Exhibits	4

ARTICLE II REPRESENTATIONS OF THE PURCHASER AND BANK

SECTION 2.1	Representations, Covenants and Warranties of the Purchaser.....	4
SECTION 2.2	Representations, Covenants and Warranties of the Bank:	5

ARTICLE III EQUIPMENT FUND

SECTION 3.1	Creation of Equipment Fund.....	5
SECTION 3.2	Acquisition of Equipment.....	6
SECTION 3.3	Investment.....	6
SECTION 3.4	Disbursements.....	6
SECTION 3.5	Termination.....	6
SECTION 3.6	Reliance of Bank on Documents.....	6
SECTION 3.7	Disclaimer of Bank.....	7

ARTICLE IV REPAYMENT OF THE ADVANCEMENT; SECURITY FOR REPAYMENT

SECTION 4.1	Repayment of the Advancement.....	8
SECTION 4.2	Budget and Appropriation.....	8
SECTION 4.3	Security Agreement	9
SECTION 4.4	No Set-Off; Recoupment, Etc.....	10

ARTICLE V INSURANCE

SECTION 5.1	Insurance.....	10
-------------	----------------	----

ARTICLE VI DAMAGE AND DESTRUCTION; USE OF NET PROCEEDS

SECTION 6.1	Obligation of the Purchaser to Repair and Replace the Equipment.....	10
SECTION 6.2	Insufficiency of Net Proceeds; Discharge of the Obligation of the Purchaser to Repair the Equipment.....	11
SECTION 6.3	Cooperation of the Bank.....	11

**ARTICLE VII
COVENANTS OF THE PURCHASER**

SECTION 7.1	Access to the Equipment and Inspection	12
SECTION 7.2	Maintenance, Utilities, Taxes and Assessments	12
SECTION 7.3	Modification of the Equipment.....	12
SECTION 7.4	Encumbrances	13
SECTION 7.5	Indemnification of the Bank.	13
SECTION 7.6	Financial Statements	13

**ARTICLE VIII
ASSIGNMENT, LEASING AND AMENDMENT**

SECTION 8.1	Assignment by the Bank	13
SECTION 8.2	Assignment by the Purchaser	14

**ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES**

SECTION 9.1	Events of Default Defined	14
SECTION 9.2	Remedies on Default.....	15
SECTION 9.3	No Remedy Exclusive.....	15
SECTION 9.4	Agreement to Pay Attorneys’ Fees and Expenses	16
SECTION 9.5	No Additional Waiver Implied by One Waiver.....	16

**ARTICLE X
PREPAYMENT OF INSTALLMENT PAYMENTS**

SECTION 10.1	Prepayment of Installment Payments.....	16
--------------	---	----

**ARTICLE XI
MISCELLANEOUS**

SECTION 11.1	Notices	16
SECTION 11.2	Binding Effect.....	17
SECTION 11.3	Severability.....	17
SECTION 11.4	Execution in Counterparts.....	17
SECTION 11.5	Commitment Letter.....	17
SECTION 11.6	Applicable Law.....	17
SECTION 11.7	Waiver of Jury Trial.....	17

Exhibit A.....	A-1
Exhibit B.....	B-1
Exhibit C.....	C-1

INSTALLMENT FINANCING AND SECURITY AGREEMENT

This INSTALLMENT FINANCING AND SECURITY AGREEMENT, dated as of May __, 2012 (the "Agreement"), between CITY OF GREENVILLE, a municipal corporation organized and existing under the laws of the State of North Carolina (the "Purchaser"), and WELLS FARGO BANK, N.A., a national banking association duly organized and existing under the laws of the United States of America (the "Bank") and approved by the GREENVILLE UTILITIES COMMISSION (the "Commission");

WITNESSETH:

WHEREAS, the Purchaser is a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of North Carolina;

WHEREAS, in accordance with the laws governing the actions of the Purchaser, the Purchaser is permitted to finance the acquisition of certain equipment by contracts that create in the equipment a security interest to secure repayment of the advance of moneys made available to purchase such equipment;

WHEREAS, after due consideration, the governing body for the Purchaser has determined to acquire the equipment as more particularly described in Exhibit A attached hereto (the "Equipment");

WHEREAS, in order for the Purchaser to obtain the funds to pay the costs of the Equipment, the Purchaser has determined to enter into this Agreement whereby the Bank will advance funds to the Purchaser to pay the costs of the Equipment, and the Purchaser will repay such advancement with interest in installments pursuant to the terms of this Agreement;

WHEREAS, the obligation of the Purchaser to make Installment Payments (as hereinafter defined) and other payments required under Article IV hereof shall constitute a limited obligation payable from appropriations of the Net Receipts (as defined in the Bond Order hereinafter defined) of the Commission and shall not constitute a pledge of the faith and credit of the Purchaser within the meaning of any constitutional debt limitation or as otherwise prohibited by the North Carolina Constitution;

WHEREAS, as security for the performance of its obligation under this Agreement, including the payment of the installment payments hereunder, Purchaser has further agreed to grant the Bank a security interest in the Equipment;

WHEREAS, pursuant to a bond order adopted by the City Council of the Purchaser on August 11, 1994, and amended and restated as of April 13, 2000 (the "Bond Order") and a series resolution adopted by the City Council of the Purchaser on May __, 2012 the obligations of the Purchaser to make Installment Payments and other payments under Article IV hereof is considered Additional Indebtedness (as defined in the Bond Order) and shall be paid after making the payments required by paragraph (a) – (e) of Section 507 of the Bond Order; and

WHEREAS, the Purchaser and the Bank have each duly authorized the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

Section 1.

DEFINITIONS AND EXHIBITS

(a) **Definitions and Rules of Construction.** Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The words “hereby”, “herein”, “hereof”, “hereto”, “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof. All references herein to “Articles”, “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement unless some other reference is indicated.

“Advancement” means the advance being made by the Bank to the Purchaser pursuant to Section 3.1 of this Agreement.

“Agreement” means this Installment Financing Agreement, including any amendment or supplement hereto permitted herein.

“Bank” means Wells Fargo Bank, N.A., a national banking association organized and existing under the laws of the United States of America, and any successor thereto.

“Bond Order” means the bond order adopted by the City Council of the Purchaser on August 11, 1994 and amended and restated as of April 13, 2000.

“Closing” means the date on which the Purchaser executes and delivers this Agreement, and the Bank makes the Advancement to the Purchaser.

“Closing Costs” means and further includes all items of expense directly or indirectly payable by or reimbursable to the Purchaser relating to the financing of the Equipment, including, but not limited to, filing and recording costs, settlement costs, printing costs, word processing costs, reproduction and binding costs, legal fees and charges and financing and other professional consultant fees.

“Commission” means the Greenville Utilities Commission created in accordance with Chapter 861 of the 1992 Session Laws of North Carolina.

“Determination of Taxability” means and shall be deemed to have occurred on the date when (a) the Purchaser shall receive notice from the Bank that the Internal Revenue Service has assessed as includable in gross income the interest component of the Installment Payments made by the Purchaser under this Agreement due to the occurrence of an Event of Taxability or (b) the Purchaser or the Bank shall receive notice from the Commissioner or any District Director of the Internal Revenue Service that the interest component of the Installment Payments made by the Purchaser under this Agreement is includable in the gross income of the Bank for federal income tax purposes due to the occurrence of an Event of Taxability.

“Enforcement Limitation” means any laws that provide that no deficiency judgment may be rendered against the Purchaser in any action for breach of a contractual obligation and that the

taxing power of the Purchaser is not and may not be pledged directly or indirectly to secure any moneys due under this Agreement.

“Equipment” means the equipment identified in Exhibit A attached hereto, as supplemented and amended from time to time, the cost of which is being paid by the Purchaser from the Advancement.

“Equipment Fund” means the account created pursuant to Section 3.1 in which the proceeds of the Advancement are deposited.

“Event of Nonappropriation” means (a) the failure by the Purchaser or Purchaser’s governing body to budget and appropriate in its budget for the ensuing Fiscal Year adopted on or about June 30 of each year an amount of Net Receipts sufficient to pay all Installment Payments and any reasonably estimated additional payments under this Agreement coming due in the next ensuing Fiscal Year or (b) the deletion from Purchaser’s duly adopted budget of any appropriation for the purposes specified in clause (a). In the event that during any Fiscal Year, any additional payments shall become due that were not included in the Purchaser’s current budget, and if there are no moneys available to pay such additional payments prior to the date upon which such additional payments are due, an Event of Nonappropriation shall be deemed to have occurred upon notice by the Bank to the Purchaser to such effect.

“Event of Taxability” means the occurrence or existence of any fact, event or circumstance caused by the failure of the Purchaser to comply with any covenants in this Agreement or any document or certificate executed by the Purchaser or to comply with any requirement of federal law in connection with the transactions contemplated by this Agreement which has the effect of causing the interest component of the Installment Payments made by the Purchaser under this Agreement to be includable in the gross income of the Bank for federal income tax purposes.

“Fiscal Year” means the period beginning on July 1 of any year and ending on June 30 of the following year.

“Inclusion Date” means the effective date that the interest component of the Installment Payments made by the Purchaser under this Agreement is includable in the gross income of the Bank as a result of a Determination of Taxability.

“Installment Payment Date” means each of the dates set forth on the Installment Payment Schedule attached hereto as Exhibit B.

“Installment Payments” means the payments required to be paid by the Purchaser pursuant to Section 4.1 in order to repay the Advancement, as specified in Exhibit B.

“Investment Obligation” means any security or investment authorized by the law governing Purchaser, as may be amended from time to time, or any substitute or successor laws.

“Net Proceeds” means any proceeds of insurance paid with respect to the Equipment remaining after payment therefrom of any expenses (including attorneys’ fees) incurred in the collection thereof.

“Net Receipts” means the net receipts of the Commission as defined in the Bond Order.

“Permitted Encumbrances” means, and includes (a) liens for taxes, assessments and other governmental charges due but not yet payable; (b) landlord’s, warehouseman’s, carrier’s,

worker's, vendor's, mechanic's and materialmen's liens and similar liens incurred in the ordinary course of business remaining undischarged for not longer than 60 days from the filing thereof; (c) attachments remaining undischarged for not longer than 60 days from the making thereof; (d) the lien created by the security interest of the Bank in the Equipment; (e) this Agreement and (f) any lease of the Equipment permitted by Section 8.2(b).

"Purchaser" means the City of Greenville, North Carolina, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of North Carolina, and any successor entity.

"Scheduled Due Date" means the date the principal components of the Installment Payments would, but for prepayment or acceleration, have become due and payable.

"State" means the State of North Carolina.

(b) **Exhibits.** The following exhibits are attached to, and by reference made a part of, this Agreement:

Exhibit A: Description of the Equipment

Exhibit B: Installment Payment Schedule

Exhibit C: Form of Requisition

Section 2.

REPRESENTATIONS OF THE PURCHASER AND BANK

(a) **Representations, Covenants and Warranties of the Purchaser.**
The Purchaser represents, covenants and warrants to the Bank as follows:

(i) The Purchaser is a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of North Carolina.

(ii) The Constitution and laws of the State authorize the Purchaser to execute and deliver this Agreement and to enter into the transactions contemplated by and to carry out its obligations under this Agreement.

(iii) The Purchaser has duly authorized and executed this Agreement in accordance with the Constitution and laws of the State.

(iv) Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any charter provision, restriction, agreement or instrument to which the Purchaser is now a party or by which the Purchaser is bound, or constitutes a default under any of the foregoing.

(v) No approval or consent is required from any governmental authority with respect to the entering into or performance by the Purchaser of this Agreement, and all other documents

related thereto and the transactions contemplated hereby and thereby, or if such approval is required, it has been duly obtained.

(vi) There is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or threatened against or affecting the Purchaser challenging the validity or enforceability of this Agreement, or any other documents relating hereto and the performance of the Purchaser's obligations hereunder and thereunder.

(vii) The Purchaser will obtain or cause to be obtained all licenses, permits and other approvals of any other governmental entity having jurisdiction over the Purchaser or the Equipment that are necessary for the acquisition and operation of the Equipment.

(viii) The Purchaser, for the benefit of the Bank, covenants to set or have the Commission set the rates, fees and charges of the Commission at such amounts to comply with the provisions of Section 501 of the Bond Order as such provisions may apply to the Bank. The Bank may prosecute an action or proceeding against the City or the Commission in any court or before any board or commission having jurisdiction to compel the Commission to revise such rates, fees and charges in accordance with the requirements of Section 501 of the Bond Order as such section may apply to the Bank.

(b) **Representations, Covenants and Warranties of the Bank.** The Bank represents, covenants and warrants to the Purchaser as follows:

(i) The Bank is a national banking association organized, existing and in good standing under and by virtue of the laws of the United States of America and has the power and authority to enter into this Agreement.

(ii) Neither the execution and delivery of this Agreement nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of the organizational documents of the Bank or any restriction or any agreement or instrument to which the Bank is now a party or by which the Bank is bound.

Section 3.

EQUIPMENT FUND

(a) **Creation of Equipment Fund.** In consideration of the covenants, warranties and representations contained herein, and in consideration of the Purchaser's agreement to repay the advance of moneys hereunder and interest thereon, the Bank hereby agrees to advance to the Purchaser at Closing moneys in the aggregate amount of \$1,137,000 (the "Advancement"). The Purchaser shall deposit the Advancement in a separate account established with the Bank designated the "City of Greenville Equipment Fund" (the "Equipment Fund"). The proceeds of the Advancement shall be deposited in the Equipment Fund at Closing and shall be applied, together with any investment earnings thereon, in accordance with the provisions of this Article.

(b) **Acquisition of Equipment.** The Purchaser shall enter into one or more contracts or purchase orders providing for the acquisition of the Equipment. Upon acquisition of all Equipment financed with the Advancement the City shall supplement and amend Exhibit A hereto in order to provide a complete description of all Equipment so financed.

(c) **Investment.** The Purchaser shall invest and reinvest the Equipment Fund solely in Investment Obligations, and investment earnings on the Equipment Fund shall be retained in the Equipment Fund pending disbursement in accordance with Section 3.4. Unless otherwise agreed between Bank and Purchaser, the Equipment Fund shall be invested in a Wells Fargo Bank Public Funds Money Market Investment Account. The Purchaser shall be solely responsible for ascertaining that all proposed investments and reinvestments comply with federal, state and local laws, regulations and ordinances governing investment of funds held pursuant to an arrangement similar in substance to the arrangement contemplated by this Agreement. Accordingly, the Bank shall not be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to investment or reinvestment of all or a portion of the moneys held in the Equipment Fund, and the Purchaser hereby agrees, to the extent permitted by law, to release and indemnify and hold harmless the Bank from any such liability, cost, expense, loss or claim.

(d) **Disbursements.** Unless the Equipment Fund is earlier terminated in accordance with the provisions of Section 3.5, the moneys held in the Equipment Fund shall be used to pay the Closing Costs and the costs of the Equipment upon the prior written consent of the Bank to a written requisition of the Purchaser signed by an officer of Purchaser, or their designee, substantially in the form set forth in Exhibit C, together with any documents or other items of evidence as the Bank may determine to be necessary to determine the appropriateness of such requisition. A fee of \$25.00 per wire transfer will be applied to all disbursements. This fee will be deducted directly from moneys held in the Equipment Fund unless the Purchaser directs the Bank to invoice the Purchaser directly for any such fees. If the moneys held in the Equipment Fund and any other moneys provided by the Purchaser are insufficient to pay all of the Closing Costs and the costs of the Equipment, the Purchaser shall provide any balance of the funds needed to pay such Closing Costs and the costs of the Equipment. Any moneys remaining in the Equipment Fund (a) after the acquisition of the Equipment, as evidenced by a written certificate of completion executed by an officer of the Purchaser and delivered to the Bank stating that the Equipment has been acquired and that there are no liens against the Equipment other than the lien created by this Agreement, or (b) upon termination of this Agreement prior to such acquisition, shall be used to pay the interest component of the next scheduled Installment Payment.

(e) **Termination.** The Equipment Fund shall be terminated at the earliest of (a) the final distribution of moneys from the Equipment Fund, (b) written notice given by the Bank of an event of default by the Purchaser under this Agreement and (c) the termination of this Agreement.

(f) **Reliance of Bank on Documents.** The Bank may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing

or instrument. The Bank shall not be liable in any manner for the sufficiency or correctness as to the form, manner of execution, or validity of any instrument or as to the identity, authority, or right of any person executing the same; and the Bank's duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Bank, and for the disposition of the same in accordance herewith.

(g) **Disclaimer of Bank.** The Purchaser acknowledges and agrees that the design and specifications of the Equipment has not been made by the Bank, and the Bank has not supplied any plans or specifications with respect thereto and that the Bank (a) is not a manufacturer of, nor a dealer in, any of the component parts of the Equipment or similar Equipment, (b) has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Equipment or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Equipment or any component part thereof or any property or rights relating thereto at any stage of the acquisition thereof, (c) has not at any time had physical possession of the Equipment or any component part thereof or made any inspection thereof or any property or rights relating thereto, and (d) has not made any warranty or other representation, express or implied, that the Equipment or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed, or will accomplish the results which the Purchaser or the Commission intends therefor, or (iii) is safe in any manner or respect.

THE BANK MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT OR ANY COMPONENT PART THEREOF TO THE PURCHASER OR ANY OTHER CIRCUMSTANCE WHATSOEVER WITH RESPECT THERETO, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE; THE DESIGN OR CONDITION THEREOF; THE SAFETY, WORKMANSHIP, QUALITY OR CAPACITY THEREOF; COMPLIANCE THEREOF WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; ANY LATENT DEFECT; THE TITLE TO OR INTEREST OF THE BANK THEREIN BEYOND THAT TITLE OR INTEREST WHICH THE PURCHASER OBTAINS FROM THE BANK PURSUANT HERETO; THE ABILITY THEREOF TO PERFORM ANY FUNCTION; THAT THE PROCEEDS DERIVED FROM THE ADVANCEMENT WILL BE SUFFICIENT, TOGETHER WITH ANY OTHER AVAILABLE FUNDS OF THE PURCHASER OR COMMISSION, TO PAY THE COST OF ACQUIRING THE EQUIPMENT; OR ANY OTHER CHARACTERISTICS OF THE EQUIPMENT, IT BEING AGREED THAT ALL RISKS RELATING TO THE EQUIPMENT, THE ACQUISITION THEREOF OR THE TRANSACTIONS CONTEMPLATED HEREBY ARE TO BE BORNE BY THE PURCHASER, AND THE BENEFITS OF ANY AND ALL IMPLIED WARRANTIES AND REPRESENTATIONS OF THE BANK ARE HEREBY WAIVED BY THE PURCHASER.

Section 4.

REPAYMENT OF THE ADVANCEMENT; SECURITY FOR REPAYMENT

(a) **Repayment of the Advancement.** i) Subject to the provisions of subsection (c) of this Section, the Purchaser shall repay the Advancement, with interest, computed at the rate of 1.34% per annum, calculated on a 30/360 basis, in installments due at the times and in the amounts set forth in Exhibit B.

(i) All payments required to be made to the Bank hereunder shall be made at the Bank's principal office at the address set forth in Section 11.1 or as may otherwise be directed by the Bank.

(ii) In the event of a Determination of Taxability, the interest rate payable under this Agreement, from and after the Inclusion Date, shall be adjusted to preserve the Bank's after-tax economic yield with respect to the interest components of the Installment Payments, taking into account any interest expense deductions lost by the Bank as a direct or indirect result of the Purchaser's actions. In the event of a Determination of Taxability, the Bank shall provide the Purchaser with a new Installment Payment Schedule which reflects the new interest rate which will replace the Installment Payment Schedule set forth in Exhibit B.

(b) **Budget and Appropriation.** ii) The officer of the Purchaser at any time charged with the responsibility for formulating budget proposals shall include in the budget proposals for review and consideration by the governing body of the Purchaser in any Fiscal Year in which this Agreement shall be in effect, items setting forth appropriations from Net Receipts for all Installment Payments and any additional payments required for such Fiscal Year under this Agreement. Any budget item referred to in this Section shall be deleted from the applicable budget by the Purchaser only by the adoption of a resolution to such effect containing a statement of its reasons therefor, which resolution shall be adopted by and spread upon the minutes of the governing body of the Purchaser. The Purchaser shall furnish the Bank with copies of its annual budget promptly after its adoption and copies of any amended budget affecting appropriations for Installment Payments or additional payments required under this Agreement. The Purchaser shall promptly provide notice of any Event of Nonappropriation to the Bank. This Agreement shall not directly or indirectly or contingently obligate the Purchaser to make payments beyond the amount of Net Receipts of the Commission appropriated and as allowed under the provisions of the Bond Order relating to the payment of Additional Indebtedness (as defined in the Bond Order).

(i) NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE PURCHASER WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A DELEGATION OF GOVERNMENTAL POWERS NOR AS A DONATION BY OR A LENDING OF THE CREDIT OF THE PURCHASER WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE. THIS AGREEMENT SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE PURCHASER

TO MAKE ANY PAYMENTS BEYOND THOSE MADE FROM THE NET RECEIPTS OF THE COMMISSION APPROPRIATED FOR ANY FISCAL YEAR IN WHICH THIS AGREEMENT IS IN EFFECT; PROVIDED, HOWEVER, THAT ANY FAILURE OR REFUSAL BY THE PURCHASER TO APPROPRIATE FUNDS WHICH RESULTS IN THE FAILURE BY THE PURCHASER TO MAKE ANY PAYMENT COMING DUE HEREUNDER WILL IN NO WAY OBVIATE THE OCCURRENCE OF THE EVENT OF DEFAULT RESULTING FROM SUCH NONPAYMENT. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE PURCHASER IN ANY ACTION FOR BREACH OF A CONTRACTUAL OBLIGATION UNDER THIS AGREEMENT IN VIOLATION OF APPLICABLE LAW AND THE TAXING POWER OF THE PURCHASER IS NOT AND MAY NOT BE PLEDGED DIRECTLY OR INDIRECTLY OR CONTINGENTLY TO SECURE ANY MONEYS DUE UNDER THIS AGREEMENT.

No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of the Purchaser's moneys, nor shall any provision of this Agreement restrict the future issuance of any of the Purchaser's bonds or moneys. To the extent of any conflict between this Section and any other provision of this Agreement, this Section shall take priority.

(c) **Security Agreement.** Title to the Equipment and any and all additions, repairs, replacements or modifications thereto shall be in the Purchaser from and after the date of execution and delivery of this Agreement so long as the Purchaser shall not be in default hereunder and shall vest permanently in the Purchaser on the payment of all Installment Payments, free and clear of any lien or security interest of the Bank therein.

To secure all obligations of the Purchaser hereunder, the Purchaser hereby grants to the Bank a security interest in any and all of the Purchaser's right, title and interest in and to the Equipment, all additions, attachments, accessions, substitutions and replacements thereto, and any and all proceeds thereof, including without limitation, proceeds of insurance thereon. The Purchaser agrees to execute and deliver all documents, instruments and financing statements requested by the Bank as are necessary or appropriate to perfect or maintain the security interest granted hereby and to maintain the Bank's security interest in the items of personal property constituting the Equipment purchased pursuant to Section 3 hereof. The Bank is authorized to file financing statements without the Purchaser's signature or to execute and file such financing statements without the Purchaser's signature on the Purchaser's behalf as specified by the Uniform Commercial Code to perfect or maintain Bank's security interest granted hereby. At the request of the Bank, the Purchaser will keep and maintain a conspicuous marking or tag on the items of personal property constituting the Equipment that a security interest therein is held by the Bank.

The Equipment is, and shall at all times be and remain, personal property notwithstanding that the Equipment or any part thereof may now be, or hereafter become, in any manner affixed or attached to, or imbedded in, or permanently resting upon, real property or any building thereon or any fixtures, or attached in any manner to what is permanent by any means of cement, plaster, nails, bolts, screws or otherwise. Upon request of the Bank, the Purchaser shall obtain, as to any place where the Equipment is located, a waiver from the landlord and mortgagee thereof with respect to any rights they may have in and to the Equipment or the rights of levy or seizure thereon.

(d) **No Set-Off; Recoupment, Etc.** Subject to Section 4.2 and the Enforcement Limitation, the obligation of the Purchaser to make the Installment Payments hereunder and to perform and observe the other covenants of this Agreement shall be absolute and unconditional, and the Purchaser will pay without abatement, diminution or deduction all such amounts regardless of any cause or circumstance whatsoever, including, without limitation, any defense, set-off, recoupment or counterclaim that the Purchaser may have against the Bank.

Section 5.

INSURANCE

(a) **Insurance.** iii) The Purchaser shall, during the term of this Agreement and at all times before all Installment Payments have been paid, continuously insure the Equipment, or cause the Equipment to be insured, against loss or damage to any portion of the Equipment in an amount equal to 100% of the actual cash value of such Equipment (subject to a deductible clause not to exceed \$100,000 for any one loss), paying as the same become due all premiums in respect thereof. The policy providing for such insurance shall name the Bank as loss payee. In addition the Purchaser shall (i) maintain a comprehensive general liability policy or policies in protection of the Purchaser, its officers, agents and employees, which policy or policies shall cover such losses and shall have such deductible amounts as shall be satisfactory to the Bank and (ii) maintain workers' compensation insurance to insure its employees against liability for workers' compensation under the laws of the State.

(i) The insurance coverage required under this Section may be maintained under a blanket policy covering other properties of the Purchaser.

(ii) The Purchaser shall cause to be delivered to the Bank annually on or about July 1 of each year a certificate or other evidence showing that the insurance policies required or permitted by this Agreement are in full force and effect.

(iii) The Purchaser shall cooperate fully with the Bank in filing any proof of loss with respect to any insurance policy maintained pursuant to this Section.

Section 6.

DAMAGE AND DESTRUCTION; USE OF NET PROCEEDS

(a) **Obligation of the Purchaser to Repair and Replace the Equipment.** Unless applied to the payment in full of the remaining Installment Payments pursuant to Section 6.2, the Purchaser shall cause the Net Proceeds of any insurance policies to be deposited in a separate fund maintained by the Purchaser with the Bank or its designee. Except as set forth in Section 6.2, all Net Proceeds so deposited shall be applied to the prompt repair, restoration or replacement of the Equipment and shall be disbursed upon receipt of requisitions of the Purchaser approved by the Bank, stating, with respect to each payment to be made, (a) the requisition number; (b) the name and address of the person, firm or corporation to whom payment is due; (c) the amount to be paid; and (d) that each obligation mentioned therein

has been properly incurred, is a proper charge against the separate trust fund, and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation. The Bank shall cooperate with the Purchaser in the administration of such fund and shall not unreasonably withhold its approval of requisitions under this Section. Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of such Net Proceeds shall be the property of the Purchaser, subject to the Bank's security interest and free and clear of all liens and encumbrances other than Permitted Encumbrances, and shall become part of the Equipment subject to the security interest under this Agreement. The Purchaser shall promptly notify the Bank of the receipt of any Net Proceeds by the City relating to the Equipment.

(b) **Insufficiency of Net Proceeds; Discharge of the Obligation of the Purchaser to Repair the Equipment.** iv) If the Net Proceeds shall be insufficient to pay in full the cost of repair, restoration or replacement of the Equipment, the Purchaser may elect to complete the work and pay any cost in excess of the amount of the Net Proceeds, and the Purchaser agrees that, if by reason of any such insufficiency of the Net Proceeds, the Purchaser shall make any payments pursuant to the provisions of this subsection (a), the Purchaser shall not be entitled to any reimbursement therefor from the Bank, nor shall the Purchaser be entitled to any abatement or diminution of the Installment Payments payable under Section 4.1.

(i) If the Purchaser elects not to apply the Net Proceeds to the repair, restoration or replacement of the Equipment, the Purchaser may apply the Net Proceeds of such insurance policies to the prepayment of the principal component of the Installment Payments in accordance with Section 10.1. In the event the amount of such Net Proceeds exceeds the amount necessary to prepay the principal component of all remaining Installment Payments, plus the interest component of the Installment Payments accrued to the date of prepayment, such excess shall be paid to or retained by the Purchaser.

Within 90 days following the receipt of Net Proceeds, unless a further extension is approved by the Bank, the Purchaser shall commence the repair, restoration or replacement of the Equipment, or shall elect, by written notice to the Bank, to apply the Net Proceeds to the prepayment of the Installment Payments under the provisions of Section 10.1. For purposes of this subsection, "commence" shall include the retention of an engineer in anticipation of the repair, restoration, modification, improvement or replacement of the Equipment. In the event that the Purchaser shall, after commencing the repair, restoration, modification, improvement or replacement of the Equipment, determine that the Net Proceeds (plus any amount withheld therefrom by reason of any deductible clause) shall be insufficient for the accomplishment thereof, the Purchaser may, subject to the proviso set forth above, elect to apply the Net Proceeds to the prepayment of the Installment Payments under the provisions of Section 10.1.

(c) **Cooperation of the Bank.** The Bank shall cooperate fully with the Purchaser in filing any proof of loss with respect to any insurance policy covering the events specified in Section 5.1. In no event shall the Bank or the Purchaser voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim with respect to the Equipment without the written consent of the other.

Section 7.

COVENANTS OF THE PURCHASER

(a) **Access to the Equipment and Inspection.** The Bank and its agents and employees shall have the right, at all reasonable times during normal business hours of the Purchaser upon the furnishing of reasonable notice to the Purchaser under the circumstances, to examine and inspect the Equipment and to examine and copy the books and records of the Purchaser insofar as such books and records relate to the Equipment. No right of inspection shall be deemed to impose on the Bank any duty or obligation whatsoever to undertake any inspection, and no inspection made by the Bank shall be deemed to impose upon the Bank any duty or obligation to identify any defects in the Equipment or to notify any person with respect thereto.

(b) **Maintenance, Utilities, Taxes and Assessments.**

(i) Subject to the Enforcement Limitation, the Purchaser shall provide for the repair and replacement of the Equipment required on account of ordinary wear and tear or want of care.

(ii) Subject to the Enforcement Limitation, the Purchaser shall also pay, or provide for the payment of, all taxes and assessments, including, but not limited to, utility charges of any type or nature levied, assessed or charged against the Equipment; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Purchaser shall be obligated to pay only such installments as are required to be paid as and when the same become due.

(iii) The Purchaser may, at the Purchaser's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom; provided, however, that prior to such nonpayment, the Purchaser shall furnish to the Bank an opinion of counsel acceptable to the Bank to the effect that, by nonpayment of any such items, the interest of the Bank in the Equipment will not be materially endangered and that the Equipment will not be subject to loss or forfeiture. Otherwise, subject to the Enforcement Limitation, the Purchaser shall promptly pay such taxes, assessments or charges or make provisions for the payment thereof.

(c) **Modification of the Equipment.** The Purchaser shall, in its sole discretion and at its own expense, have the right to make additions, modifications and improvements to the Equipment if such additions, modifications or improvements are necessary or beneficial for the use of the Equipment. Such additions, modifications and improvements shall not in any way damage the Equipment (unless such damage is to be repaired as provided in Section 6.1) or cause the Equipment to be used for purposes other than those authorized under the provisions of law, and the Equipment, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value which is not less than the value of the Equipment immediately prior to the making of such additions, modifications and

improvements. The Equipment, as so modified, shall be subject to the lien of Bank's security interest as set forth herein.

(d) **Encumbrances.** Except for Permitted Encumbrances, Purchaser shall not, directly or indirectly, create, incur, assume, suffer or permit to exist any mortgage, pledge, lien, charge, security interest, encumbrance or claim, as applicable, on or with respect to the Equipment, including, without limitation, labor or materials furnished in connection with any additions, modifications or improvements made to the Equipment by Purchaser pursuant to Section 7.3. Except as expressly provided in this Article and subject to the Enforcement Limitation, the Purchaser shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such pledge, lien, charge, encumbrance or claim for which it is responsible if the same shall arise at any time; provided, however, that the Purchaser may contest any such lien, charge, encumbrance or claim if it desires to do so and if it provides the Bank with full security against any loss or forfeiture which might arise from the nonpayment of any such item in form satisfactory to the Bank. Purchaser shall reimburse Bank for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, security interest, encumbrance or claim.

(e) **Indemnification of the Bank.** To the extent permitted by law, the Purchaser covenants to defend, indemnify and hold harmless the Bank and its officers, directors, members, employees and agents (collectively, the "Indemnified Party") against any and all losses, claims, damages or liabilities, joint or several, including fees and expenses incurred in connection therewith, to which such Indemnified Party may become subject under any statute or at law or in equity or otherwise in connection with the transactions contemplated by this Agreement and shall reimburse any such Indemnified Party for any legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of the transactions contemplated by this Agreement. In particular, without limitation, the Purchaser shall and hereby agrees to indemnify and save the Indemnified Party harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of any breach or default on the part of the Purchaser in the performance of any of its obligations under this Agreement.

(f) **Financial Statements.** The Purchaser agrees that it will furnish the Bank, when the same become available, but in no event later than 180 days after the end of the Fiscal Year, its annual audited financial statements and information regarding its annual budget as submitted or approved.

Section 8.

ASSIGNMENT, LEASING AND AMENDMENT

(a) **Assignment by the Bank.** The Bank may assign all or any part of its security interest in the Equipment or its interest in this Agreement, including, without limitation, the Bank's rights to receive the Installment Payments and any additional payments due and to become due hereunder, without the prior written consent of the Purchaser.

(b) **Assignment by the Purchaser.** v) This Agreement may not be assigned by the Purchaser, without the prior written consent of Bank.

(i) The Purchaser may lease the Equipment, subject to all of the following conditions:

(1) the obligation of the Purchaser to make Installment Payments hereunder shall remain obligations of the Purchaser;

(2) the Purchaser shall within thirty (30) days prior to the execution and delivery of any such lease, furnish or cause to be furnished to the Bank, a true and complete copy of the form of such lease; and

(3) the lease by the Purchaser shall not cause the Equipment to be used for a purpose other than a governmental or proprietary function of the Purchaser authorized under the provisions of the Constitution and laws of the State and shall not cause the interest component of the Installment Payments to be includable in gross income of the Bank for federal income tax purposes.

Section 9.

EVENTS OF DEFAULT AND REMEDIES

(a) **Events of Default Defined.** The following shall be “events of default” under this Agreement and the terms “events of default” and “default” shall mean, whenever they are used in this Agreement, any one or more of the following events:

(i) The failure by the Purchaser to pay any Installment Payment required to be paid hereunder when due.

(ii) The occurrence of an Event of Nonappropriation.

(iii) Failure by the Purchaser to observe and perform any warranty, covenant, condition or agreement on its part to be observed or performed herein or otherwise with respect hereto other than as referred to in clause (b) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the Purchaser by the Bank; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period and if corrective action is instituted by the Purchaser within the applicable period and diligently pursued, the Purchaser shall have such additional period of time to correct the failure as shall be necessary to correct such failure so long as such correction is diligently pursued.

(iv) The Purchaser becomes insolvent or the subject of insolvency proceedings; or is unable, or admits in writing its inability, to pay its debts as they mature; or makes a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its property; or files a petition or other pleading seeking reorganization, composition, readjustment or liquidation of assets, or requesting similar relief; or applies to a court for the

appointment of a receiver for it or for the whole or any part of its property; or has a receiver or liquidator appointed for it or for the whole or any part of its property (with or without the consent of the Purchaser) and such receiver is not discharged within ninety (90) consecutive days after his appointment; or becomes the subject of an “order for relief” within the meaning of the United States Bankruptcy Code; or files an answer to a creditor’s petition admitting the material allegations thereof for liquidation, reorganization, readjustment or composition or to effect a plan or other arrangement with creditors or fails to have such petition dismissed within sixty (60) consecutive days after the same is filed against the Purchaser.

(v) Any warranty, representation or statement made by the Purchaser herein or any other document executed and delivered by the Purchaser in connection herewith is found to be incorrect or misleading in any material respect as of the date made.

(b) **Remedies on Default.** Upon the occurrence of any event of default under Section 9.1, the Bank may, without any further demand or notice, exercise any one or more of the following remedies:

(i) declare the entire amount of the principal component of the Installment Payments and the accrued and unpaid interest component to the date of declaration to be immediately due and payable;

(ii) exercise all remedies available at law or in equity and/or in connection with Bank’s security interest, including sale of the Equipment, and apply the proceeds of any such sale or other disposition, after deducting all costs and expenses, including court costs and reasonable attorneys’ fees incurred with the recovery, repair, storage and other sale or other disposition costs, toward the principal component and accrued and unpaid interest of the balance of Installment Payments due; and

(iii) subject to the Enforcement Limitation, proceed by appropriate court action to enforce performance by the Purchaser of the applicable covenants of this Agreement or to recover for the breach thereof.

NOTWITHSTANDING ANY OTHER PROVISIONS HEREIN, IT IS THE INTENT OF THE PARTIES HERETO TO COMPLY WITH THE LAWS OF THE STATE OF NORTH CAROLINA, AS AMENDED. NO DEFICIENCY JUDGMENT MAY BE ENTERED AGAINST THE PURCHASER IN FAVOR OF THE BANK OR ANY OTHER PERSON IN VIOLATION OF SAID LAWS, INCLUDING, WITHOUT LIMITATION, ANY DEFICIENCY JUDGMENT FOR AMOUNTS THAT MAY BE OWED HEREUNDER WHEN THE SALE OF ALL OR ANY PORTION OF THE EQUIPMENT IS INSUFFICIENT TO PRODUCE ENOUGH MONEYS TO PAY IN FULL ALL REMAINING OBLIGATIONS HEREUNDER.

(c) **No Remedy Exclusive.** No remedy conferred herein upon or reserved to the Bank is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. To the extent permitted by law, any delay or omission to exercise any right or power accruing upon any default shall not impair any such right or power nor shall be construed to be a

Greenville NC 27835-1847
Attention: General Manager/CEO

If to the Bank: Wells Fargo Bank, National Association
N.C. Government & Institutional Banking
150 Fayetteville Street, Suite 300
Post Office Box 3008
Raleigh, NC 27601
Attention: N. Page Hornaday, Jr., Senior Vice President

The Purchaser and the Bank, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

(b) **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Purchaser and the Bank and their respective successors and assigns. Whenever in this Agreement either the Purchaser or the Bank is named or referred to, such reference shall be deemed to include the successors or assigns thereof and all the covenants and agreements in this Agreement contained by or on behalf of the Purchaser or the Bank shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

(c) **Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

(d) **Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(e) **Commitment Letter.** The terms of this Agreement shall supersede the terms of the Commitment Letter. To the extent of any conflict between this Agreement and the Commitment Letter, this Agreement shall take priority.

(f) **Applicable Law.** This Agreement shall be construed and governed in accordance with the laws of the State of North Carolina.

(g) **Waiver of Jury Trial.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, PURCHASER BY EXECUTION HEREOF AND BANK BY ACCEPTANCE HERE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER DOCUMENT CONTEMPLATED TO BE EXECUTED IN CONNECTION WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY WITH RESPECT HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO ACCEPT THIS AGREEMENT.

PURCHASER AND BANK AGREE THAT THEY SHALL NOT HAVE A REMEDY OF PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER IN ANY DISPUTE AND HEREBY WAIVE ANY RIGHT OR CLAIM TO PUNITIVE OR EXEMPLARY DAMAGES THEY HAVE NOW OR WHICH MAY ARISE IN THE FUTURE IN CONNECTION WITH ANY DISPUTE WHETHER THE DISPUTE OR RESOLED BY ARBITRATION OR JUDICIALLY.

IN WITNESS WHEREOF, the Purchaser and the Bank have caused this Agreement to be executed in their respective names by their respective duly authorized officers as of the date first above written.

PURCHASER:

CITY OF GREENVILLE, NORTH CAROLINA

[Seal]

By: _____
Name: Thomas M. Moton, Jr.
Title: Interim City Manager

Attest:

Carol L. Barwick
City Clerk

BANK:

WELLS FARGO BANK, N.A.

By: _____
Name: _____
Title: _____

APPROVED:

GREENVILLE UTILITIES COMMISSION

[Seal]

By: _____
Name: Anthony C. Cannon
Title: General Manager/CEO

Attest:

Name: Amy Carson Quinn
Title: Executive Secretary

EXHIBIT A

DESCRIPTION OF THE EQUIPMENT

Loan No: To be assigned

Installment Purchase Contract Date: May __, 2012

Issuer: City of Greenville/Greenville Utilities Commission

Purchase Price: \$1,137,000

Description	Serial Number	Department	Location of Equipment after Delivery
60' Bucket Truck Hybrid		Electric	801 Mumford Rd., Greenville, NC 27834
64' Aerial Tower Unit with Forestry Body		Electric	802 Mumford Rd., Greenville, NC 27834
2012 Ford F-350	1FD8W3BT0CEB43981	Electric	803 Mumford Rd., Greenville, NC 27834
Compact pickup ext. cab- Ford Ranger	1FTKR1EE48PB16921	Electric	804 Mumford Rd., Greenville, NC 27834
2012 Ford F-350	1FD8W3BT9CEB43980	Electric	805 Mumford Rd., Greenville, NC 27834
2011 Ford F-150	1FTFW1EF3BFC15853	Electric	806 Mumford Rd., Greenville, NC 27834
Trench/Backhoe replacement	HML03AB0000063	Electric	807 Mumford Rd., Greenville, NC 27834
Utility Trailer	5YCBE1212CH005837	Electric	808 Mumford Rd., Greenville, NC 27834
Compact Backhoe replacement	HMH03KB0000054	Electric	809 Mumford Rd., Greenville, NC 27834
Right of Way Tractor 110 HP	RW130H029552	Electric	810 Mumford Rd., Greenville, NC 27834
Transformer DryMax Trailer	5YCBE1212CH005837	Electric	811 Mumford Rd., Greenville, NC 27834
2012 Ford F-750 w/Godwin Dump Truck	3FRXF7FE2CV1572228	Water	812 Mumford Rd., Greenville, NC 27834
Crew Cab	1FD0W5GT0CEB43982	Water	813 Mumford Rd., Greenville, NC 27834

2011 Ford F-150	1FTFX1CF7BFC21557	Water	814 Mumford Rd., Greenville, NC 27834
2011 Ford F-150	1FTFX1EF0BFC95433	Sewer	815 Mumford Rd., Greenville, NC 27834
Mini Crawler/Loader for systems	ANKA11750	Sewer	816 Mumford Rd., Greenville, NC 27834
2011 Ford Ranger	1FTKR1EE2BPB16920	Meter	817 Mumford Rd., Greenville, NC 27834
2011 Ford Ranger	1FTKR1EEXBPB16924	Meter	818 Mumford Rd., Greenville, NC 27834
2011 Ford Ranger	1FTKR1EE1BPB16925	Meter	819 Mumford Rd., Greenville, NC 27834
2011 Ford F-250	1FDBF2A62CEB43976	Meter	820 Mumford Rd., Greenville, NC 27834
2011 Ford Ranger	1FTKR1EE48PB16918	Meter	821 Mumford Rd., Greenville, NC 27834
2011 Ford Ranger	1FTKR1EE6BPB16919	Meter	822 Mumford Rd., Greenville, NC 27834
2011 Ford Ranger	1FTKR1EE6BPB16922	Meter	823 Mumford Rd., Greenville, NC 27834

Issuer: City of Greenville, North Carolina

By: _____

Name: Thomas M. Moton, Jr.

Title: Interim City Manager

Issuer: Greenville Utilities Commission

By _____

Name: Anthony C. Cannon

Title: General Manager/CEO

Date: _____, 2012

EXHIBIT B
PAYMENT SCHEDULE

Loan No.: _____

Installment Purchase Contract Date: May __, 2012

Issuer: Greenville Utilities Commission of the City of Greenville, North Carolina

Purchase Price: \$1,137,000

The interest rate is 1.34% per annum. Interest is calculated and imposed on the unpaid balance of the Purchase Price, based on the payment schedule described herein. The Purchase Price plus interest shall be repaid by Issuer to Bank in 3 annual payments of \$389,202.27, beginning on [May 24, 2013] and continuing on the same day every [May 24th] thereafter, until paid in full.

Due at Inception: Origination Fee \$ 700.00

Amount \$1,137,000

Rate 1.34%

Term (Years) 3

[Payment Number	Payment Date	Payment	Principal	Interest	Balance
1	05-24-2013	\$ 389,202.27	\$373,966.47	\$15,235.80	\$763,033.53
2	05-24-2014	389,202.27	378,977.62	10,224.65	384,055.91
3	05-24-2015	<u>389,202.27</u>	<u>384,055.91</u>	<u>5,146.36</u>	<u>0.00</u>
Totals		\$ 1,167,606.81	\$1,137,000	\$30,606.81	

Issuer: City of Greenville, North Carolina

By: _____

Name: Bernita W. Demery

Title: Director of Financial Services

Date: May __, 2012

EXHIBIT C

INCUMBENCY AND AUTHORIZATION CERTIFICATE

In connection with the execution and delivery by the City of Greenville, North Carolina, (the "Municipality") of an Installment Purchase Contract dated May __, 2012 between the Municipality and Wells Fargo Bank. N.A., I, Carol L. Barwick, do hereby certify that I am the duly appointed City Clerk of the City of Greenville, North Carolina, a political subdivision and body corporate and politic existing under the laws of the State of North Carolina, and that I have custody of the official minutes and other pertinent records of that body.

I further certify that:

1. As of the date of this certificate, the persons named below hold the positions listed opposite their names.

2. The persons named below were authorized by a resolution of the Municipality's governing body, passed in a regular meeting held on May __, 2012, to execute and deliver on behalf of the Municipality the aforesaid Installment Purchase Contract to evidence the obligation of the Municipality in connection with the purchase of personal property and the creation of a security interest in the purchased property, together with all other documents and instruments required and contemplated by said Installment Purchase Contract, and to carry out the terms of all of the foregoing, all under and pursuant to the provisions of Section 160A-20 of the General Statutes of North Carolina, as amended. Attached hereto is a true, complete and accurate copy of such resolution. Such resolution has not been amended, rescinded, terminated or otherwise revoked and is in full force and effect.

3. The signatures set opposite the names and positions of the persons named below are such persons' true and authentic signatures.

<u>Name</u>	<u>Position</u>	<u>Signature</u>
<u>Thomas M. Moton, Jr.</u>	<u>Interim City Manager</u>	_____
<u>Anthony C. Cannon</u>	<u>General Manager/CEO</u>	_____
<u>Bernita W. Demery</u>	<u>Director of Financial Services</u>	_____

IN WITNESS WHEREOF, I have duly executed this certificate and have affixed to it the seal of the City of Greenville, North Carolina on this __th day of May 2012.

By: _____
Name: Carol L. Barwick
Title: City Clerk

[SEAL]

After consideration of the foregoing resolution, Councilmember _____ moved the passage thereof, which motion was duly seconded by Councilmember _____, and the foregoing resolution was passed by the following vote:

Ayes: _____
_____.

Noes: _____.

* * * * *

I, Carol L. Barwick, City Clerk of the City of Greenville, North Carolina, DO HEREBY CERTIFY that the foregoing has been carefully copied from the recorded minutes of the City Council of said City at a meeting held on _____, 2012, said record having been made in Minute Book No. ___ of the minutes of said City Council, beginning at page ___ and ending at page ___, and is a true copy of so much of said proceedings of said City Council as relates in any way to the passage of the resolution described in said proceedings.

I DO HEREBY FURTHER CERTIFY that a schedule of regular meetings of said City Council, stating that regular meetings of said City Council are held in the City Council Chamber in the City Hall in Greenville, North Carolina on the second Thursday of each month, the Monday preceding the second Thursday of each month and the second Monday after such second Thursday at 7:00 P.M., has been on file in my office as of a date not less than seven days before the date of said meeting in accordance with G.S. §143-318.12.

WITNESS my hand and the official seal of said City, this ___ day of May, 2012.

City Clerk

[SEAL]



City of Greenville, North Carolina

Meeting Date: 5/7/2012
Time: 6:00 PM

Title of Item: Ordinance amending certain definitions in the Traffic Regulations chapter of the Greenville City Code

Explanation: At its March 5, 2012, meeting, City Council received a recommendation from the Greenville Bicycle and Pedestrian Commission relating to additions and changes in definitions contained in the Traffic Regulations chapter of the Greenville City Code. The additions and changes to the definitions were recommended in Chapter 6 of the Bicycle & Pedestrian Master Plan for the Greenville Urban Area Metropolitan Planning Organization.

At its March 5, 2012, meeting, City Council directed the City Attorney to meet with the Greenville Bicycle and Pedestrian Commission to refine the definitions and to bring a recommendation back to City Council for consideration.

The Greenville Bicycle and Pedestrian Commission discussed the additions and changes to the definitions at a non-official meeting on March 12, 2012, (a quorum was not present) and at its April 4, 2012, official meeting. The Commission agreed upon additions and changes to the definitions to recommend to City Council. The attached ordinance reflects the Commission's recommended additions and changes. Definitions changed were "bicycle", "crosswalk", and "street and highway". Definitions added were "greenways" and "pedestrian easement or multi-use trail easement". Also attached are sheets which provide, for each definition, the current definition (if any), the Master Plan definition, and the recommended definition.

Fiscal Note: There is no fiscal impact as a result of the ordinance change.

Recommendation: Consider approval of the attached ordinance.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Ordinance Amending Section 10 2 1 and 10 2 112 bicycle traffic regulations 924832](#)

 [Changes in Definitions Traffic Regulations 924888](#)

ORDINANCE NO. 12 -
ORDINANCE AMENDING SECTION 10-2-1 and SECTION 10-2-112 OF
THE GREENVILLE CITY CODE AMENDING CERTAIN DEFINITIONS
IN THE TRAFFIC REGULATIONS CHAPTER

The City Council of the City of Greenville, North Carolina, does hereby ordain:

Section 1. That Section 10-2-1 of the Code of Ordinances, City of Greenville, be and is hereby amended by rewriting the definitions of “bicycle”, “crosswalk” and “street and highway” and by the addition of definitions of “greenway” and “pedestrian easement or multi-use trail easement” so that said definitions shall read as follows:

Bicycle. A nonmotorized vehicle with two or three wheels, one or more seats, and pedals or similar devices by which the vehicle is propelled.

Crosswalk. The portion of any street or roadway ordinarily included within the prolongation or connection of the lateral lines of sidewalks at intersections, or any portion of a roadway or street distinctly indicated for pedestrian crossing by lines or other markings on the surface of the street or roadway.

Greenway. A corridor of urban, suburban or rural space with contiguous, free and open public-access trails connecting neighborhoods, recreational facilities (e.g., parks) and businesses which allows and encourages the use of nonmotorized transportation, particularly bicycle and pedestrian, for commuting, travel, and recreation. A greenway emphasizes naturally occurring and planned vegetation, scenic beauty and environmental protection, as well as preservation of natural, cultural and historical heritage.

Pedestrian Easement or Multi-Use Trail Easement. An easement alongside or near lot lines for the purpose of pedestrian or bicycle traffic.

Street and highway. The entire width between property lines of every way or place of whatever nature, when any part thereof is open to the use of the public as a matter of right for the purposes of vehicular traffic. This definition shall not be interpreted to limit or prohibit the use of a street or highway by non-vehicular traffic or by all types of users, including pedestrians, bicyclists, and drivers of motor vehicles.

Section 2. That Section 10-2-112 of the Code of Ordinances, City of Greenville, be and is hereby amended by rewriting the definitions of “bicycle” and “street and highway” and by the addition of definitions of “crosswalk”, “greenway” and “pedestrian easement or multi-use trail easement” so that said definitions shall read as follows:

Bicycle. A nonmotorized vehicle with two or three wheels, one or more seats, and pedals or similar devices by which the vehicle is propelled.

Crosswalk. The portion of any street or roadway ordinarily included within the prolongation

or connection of the lateral lines of sidewalks at intersections, or any portion of a roadway or street distinctly indicated for pedestrian crossing by lines or other markings on the surface of the street or roadway.

Greenway. A corridor of urban, suburban or rural space with contiguous, free and open public-access trails connecting neighborhoods, recreational facilities (e.g., parks) and businesses which allows and encourages the use of nonmotorized transportation, particularly bicycle and pedestrian, for commuting, travel, and recreation. A greenway emphasizes naturally occurring and planned vegetation, scenic beauty and environmental protection, as well as preservation of natural, cultural and historical heritage.

Pedestrian Easement or Multi-Use Trail Easement. An easement alongside or near lot lines for the purpose of pedestrian or bicycle traffic.

Street and highway. The entire width between property lines of every way or place of whatever nature, when any part thereof is open to the use of the public as a matter of right for the purposes of vehicular traffic. This definition shall not be interpreted to limit or prohibit the use of a street or highway by non-vehicular traffic or by all types of users, including pedestrians, bicyclists, and drivers of motor vehicles.

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. Any part or provision of this ordinance found by a court of competent jurisdiction to be in violation of the Constitution or laws of the United States or North Carolina is hereby deemed severable and shall not affect the validity of the remaining provisions of the ordinance.

Section 5. This ordinance shall become effective upon its adoption.

This the 7th day of May, 2012.

Allen M. Thomas, Mayor

ATTEST:

Carol L. Barwick, City Clerk

Proposed Changes to City Code Definitions in Response to Recommendations in the MPO: Greenville Bicycle & Pedestrian Master Plan

BICYCLE

Current Definition

Bicycle. Every device propelled by human power upon which any person may ride, having two tandem wheels, either of which is over 20 inches in diameter. **From City Code Section 10-2-1**

Bicycle. A nonmotorized vehicle with two or more wheels tandem, a steering handle, one or more saddle seats and pedals by which the vehicle is propelled by human power. **From City Code Section 10-2-112**

Bicycle. – A nonmotorized vehicle with two or three wheels tandem, a steering handle, one or two saddle seats, and pedals by which the vehicle is propelled. **From N.C.G.S. § 20-171.1.**

Master Plan Definition

Bicycle: Bicycle means every device propelled solely by human power upon which a person or persons may ride, having two tandem wheels either of which is sixteen or more inches in diameter, or three wheels, any one of which is more than twenty inches in diameter.

Recommended Definition

Bicycle. A nonmotorized vehicle with two or three wheels, one or more seats, and pedals or similar devices by which the vehicle is propelled.

Proposed Changes to City Code Definitions in Response to Recommendations in the MPO: Greenville Bicycle & Pedestrian Master Plan

CROSSWALK

Current Definition

Crosswalk. The portion of any street or roadway ordinarily included within the prolongation or connection of the lateral lines of sidewalks at intersections. Any portion of a roadway or street distinctly indicated for pedestrian crossing by lines or other markings on the surface of the street or roadway. **From City Code Section 10-2-1**

Master Plan Definition

Crosswalks: Shall mean a right-of-way, publicly owned, six (6) feet or more in width, which cuts across a block for the purpose of improving pedestrian access to adjacent streets or properties. School-related crosswalks should be 10 to 15 feet wide or wider at crossings with high numbers of students

Recommended Definition

Crosswalk. The portion of any street or roadway ordinarily included within the prolongation or connection of the lateral lines of sidewalks at intersections, or any portion of a roadway or street distinctly indicated for pedestrian crossing by lines or other markings on the surface of the street or roadway.

Proposed Changes to City Code Definitions in Response to Recommendations in the MPO: Greenville Bicycle & Pedestrian Master Plan

PEDESTRIAN EASEMENT OR MULTI-USE TRAIL

Current Definition

The definition for a *Pedestrian Easement or Multi-Use Trail Easement* is currently not defined in the Traffic Regulations chapter.

Master Plan Definition

Pedestrian Easements or Multi-Use Trail Easements: In such cases and at such locations as the Planning Board deems advisable, easements alongside or near lot lines not exceeding fifty (50) feet in width may be required for pedestrian or bicycle traffic to and from schools, neighborhood parks, and other places that may attract or generate such traffic.

Recommended Definition

Pedestrian Easement or Multi-Use Trail Easement. An easement alongside or near lot lines for the purpose of pedestrian or bicycle traffic.

Proposed Changes to City Code Definitions in Response to Recommendations in the MPO: Greenville Bicycle & Pedestrian Master Plan

GREENWAY

Current Definition

The definition for a *Greenway* is currently not defined in the Traffic Regulations chapter.

Master Plan Definition

A *greenway* is a corridor of urban, suburban and rural space with contiguous, free and open public-access trails connecting neighborhoods, recreational facilities (e.g., parks) and businesses. A greenway allows and encourages non-motorized, particularly bicycle and pedestrian, recreation and commuting. A greenway emphasizes introducing and maintaining naturally occurring and planned vegetation for scenic beauty and environmental protection (e.g., to mitigate erosion) as well as preserving natural, cultural and historical heritage. The primary purpose of a greenway is to improve the quality of life for the people of a community by facilitating health, emotional wellbeing, and safe, low-stress transportation.

Recommended Definition

Greenway. A corridor of urban, suburban or rural space with contiguous, free and open public-access trails connecting neighborhoods, recreational facilities (e.g., parks) and businesses which allows and encourages the use of nonmotorized transportation, particularly bicycle and pedestrian, for commuting, travel, and recreation. A greenway emphasizes naturally occurring and planned vegetation, scenic beauty and environmental protection, as well as preservation of natural, cultural and historical heritage.

Proposed Changes to City Code Definitions in Response to Recommendations in the MPO: Greenville Bicycle & Pedestrian Master Plan

STREET AND HIGHWAY

Current Definition

Street and highway. The entire width between property lines of every way or place of whatever nature, when any part thereof is open to the use of the public as a matter of right for the purposes of vehicular traffic. **From City Code Section 10-2-1**

Street and highway. The entire width between property lines of every way or place of whatever nature, when any part thereof is open to the use of the public as a matter of right for the purpose of vehicular traffic. **From City Code Section 10-2-112**

(46) Street. – A highway, as defined in subdivision (13). The terms "highway" and "street" and their cognates are synonymous.

From N.C.G.S. § 20-4.01

(13) Highway. – The entire width between property or right-of-way lines of every way or place of whatever nature, when any part thereof is open to the use of the public as a matter of right for the purposes of vehicular traffic. The terms "highway" and "street" and their cognates are synonymous. **From N.C.G.S. § 20-4.01.**

Recommended Definition

Street and highway. The entire width between property lines of every way or place of whatever nature, when any part thereof is open to the use of the public as a matter of right for the purposes of vehicular traffic. This definition shall not be interpreted to limit or prohibit the use of a street or highway by non-vehicular traffic or by all types of users, including pedestrians, bicyclists, and drivers of motor vehicles.

Master Plan Definition

Streets: Is defined as the entire width between property lines of every way or place of whatever nature, when any part thereof is open to the use of the public as a matter of right for the purposes of transportation. Regardless of classification, the design and construction of streets and intersections in the City of Greenville should aim to serve all types of users, including pedestrians, bicyclists, and motorists, and should be inclusive of all levels of ability, such as those in wheelchairs, the elderly and the young.



City of Greenville, North Carolina

Meeting Date: 5/7/2012
Time: 6:00 PM

Title of Item: Presentation of the proposed fiscal year 2012-2013 operating budget and fiscal year 2013-2014 financial plan for:

- a. City of Greenville
- b. Greenville Utilities Commission


Explanation: As provided in the approved budget schedule, City of Greenville staff will present the proposed fiscal year 2012-2013 operating budget and the fiscal year 2013-2014 financial plan during the May 7, 2012, City Council meeting. Representatives from Greenville Utilities Commission will also present their budget at the meeting.

The proposed budgets will be discussed further during a proposed budget work session on May 21, 2012, and Budget Committee meetings (schedule attached). In compliance with Section 160A-148(5) of the North Carolina General Statutes, the City Council will hold a public hearing on June 11 and consider adopting the annual budget ordinance on June 14.

Fiscal Note: The final amount for each of the budgets will be determined by City Council action at the June 14, 2012, City Council meeting.

Recommendation: Receive presentations on the proposed fiscal year 2012-2013 operating budgets and fiscal year 2013-2014 financial plans.

Attachments / click to download

 [Memo regarding Budget Committee Meetings](#)

Memorandum

To: Mayor Allen Thomas
Mayor Pro-Tem Rose Glover
Council Member Max Joyner, Jr.

From: Thomas M. Moton, Jr., Interim City Manager

Date: April 20, 2012

Subject: Budget Committee Meetings

As you are aware, a new Budget Committee was established at the April 12, 2012 City Council meeting. Since that time, staff has been working to coordinate meeting dates for this committee. The following dates have been selected:

May 1	2:00 – 3:30
May 7	12:00 – 3:00 (Audit committee already scheduled from 12:00 – 2:00)
May 15	2:00 – 3:30
May 23	9:00 – 11:30
May 30	2:00 – 5:00

Unless otherwise determined, these meetings will be held in Conference Room 337 at City Hall. Please contact me if you have any questions.

als

cc: Council Member Kandie Smith
Council Member Marion Blackburn
Council Member Calvin Mercer
Council Member Dennis Mitchell
Dave Holec, City Attorney
Carol Barwick, City Clerk
Chris Padgett, Interim Assistant City Manager
Bernita Demery, Financial Services Director
Gerry Case, Human Resources Director



City of Greenville, North Carolina

Meeting Date: 5/7/2012
Time: 6:00 PM

Title of Item: Bradford Creek Golf Course operational alternatives

Explanation: There has recently been interest by members of Greenville City Council and the general public in the status of Bradford Creek Golf Course and its operations. This has resulted from a 2010 staff commitment to review the course's operational performance after the fiscal year 2010-2011 and fiscal year 2011-2012 without a debt service payment, and determine a future course of action. This two-year period is coming to a close at the end of the current fiscal year.

In recognition of this, staff developed a proposed timeline for evaluating the past years' operations and providing this to City Council in August 2012. This proposed timeline was included in Notes to Council on April 4, 2012.

In the April 12, 2012, City Council meeting, Council Member Mitchell referenced the proposed timeline and noted that City Council would need the information, including Request For Proposal requirements, prior to August in order to address the facility during the development of the upcoming budgets.

Staff has developed the attached report as a means of providing information that can assist Council in making their decision regarding the future operations of the course. In addition to staff's report on the City golf course operational alternatives, you will find copies of two reports:

- 1) National Golf Foundation Golf Course Evaluation, City of Burbank, CA
- 2) RFP for Lease/Management of City of Rockville, MD, Golf Course

Those two reports provide examples of the approach and work that needs to be done to develop a basis to outsource the operations of a municipal golf course.

Fiscal Note: The fiscal impact is dependent on which operational alternative City Council

directs staff to pursue.


Recommendation: Receive the report and provide direction to staff on Council's preferred operational alternative.

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Example of Evaluation Proposal](#)

 [Example RFP](#)

 [Bradford_Creek_Operational_Alternatives_Report_925060](#)



REPORT ON BRADFORD CREEK GOLF COURSE
OPERATIONAL ALTERNATIVES
Document #925060

Contents:

Section I.	Report Purpose – Page 1
Section II.	Background Information – Page 1
Section III.	Review of Facility Operations – Page 3
Section IV.	Inventory of Area Golf Facilities – Page 15
Section V.	Operational Alternatives – Page 16
Section VI.	Process and Substance for a Request for Proposals– Page 18
Section VII.	Bradford Creek Golf Course Map – Page 19
Exhibit 1:	Example of Golf Course Evaluation Proposal from the National Golf Foundation, Inc.
Exhibit 2:	Example of Response to RFP for City of Rockville, MD for Management / Lease of RedGate Municipal Golf Course

Section I. Report Purpose

The purpose of this Report is to provide City Council with the information necessary to make an informed decision regarding the future operations of the Bradford Creek Golf Course.

Section II. Background

A “BULLETED” HISTORY

- A public golf course for Greenville was first discussed in the late 1960’s and early 1970’s, and two sites were proposed by then City Planner Dillon Watson. Development on these two sites was later determined to be too costly.
- Between 1979 and 1982, the site of the closed city landfill was considered as a potential golf course site. This location was determined to be too small and possibly involving environmental issues.
- In the late 1980’s, the Chamber of Commerce issued a survey regarding the need for a public golf course. The response to this survey was overwhelmingly in support of developing a public golf course.
- The Recreation and Parks Commission contracted with the National Golf Foundation (NGF) for a needs assessment for a public golf course in Greenville.
 - ✓ The NGF reported there was a need and it would continue to grow as the City grew.
 - ✓ The Recreation and Parks Commission expressed interest in seeking a public/private partnership that might help get the course built.
 - ✓ The Briley Family (Bradford Creek) and NPSS Group (Ironwood) showed interest in developing such a partnership.
 - After 2-3 years of negotiations, an agreement was signed with NPSS group in 1994.
 - A 2004 construction date was targeted for the course.
- In 1999, the city re-negotiated with NPSS for what it considered to be a better package that saved significant money and made it possible to have a City golf course in place (Bradford Creek) significantly ahead of the original schedule.
 - ✓ The new agreement required NPSS (Ironwood) to pay \$1,750,000 toward the purchase of Bradford Creek Golf Course, which was nearly half the anticipated cost.
 - ✓ The course had already been in operation and had an established income flow, something that made the investment more predicable than developing a new golf course.
 - ✓ Indications at the time were that Ironwood would become a private course, and the only other public course in the area was Cypress Landing in Chocowinity.

- ✓ The goal was to assure that “the average person” in Greenville would have a place to participate in the sport of golf.
 - ✓ Purchasing the course was considered the best and cheapest opportunity that Greenville would ever have to provide its residents with a public golf course.
 - ✓ A certified appraisal confirmed the value of the course, even though it was in the flood plain. It was noted that putting outdoor recreational facilities in the flood plain was commonplace, and served to preserve those lands as open space.
- The City purchased the Bradford Creek Golf Course in December 1999.
 - The first year was only a partial year of operations; no debt service payment required.
 - Over the next twelve years the course struggled to totally cover costs (sometimes including debt service) with revenues. A Financial Performance History is included in Section III of this Report.

RECENT DEVELOPMENTS

During the May 10, 2010, City Council meeting former City Manager Wayne Bowers delivered his budget message, which included a proposal to pay off the debt previously incurred during the acquisition of Bradford Creek Golf Course. Additionally, the City Manager recommended a two year trial period without debt service, at which time City Council would review operations and make a decision on whether (1) to continue the golf course as an enterprise fund or transfer Bradford Creek Golf Course into the General Fund, (2) lease the facility to a private operator, or (3) attempt to sell the course to a new owner.

Later, at the April 11, 2011, City Council meeting members approved a lease of maintenance equipment for Bradford Creek Golf Course. Though this added to the course’s operating costs, much of the existing equipment, part of the original course purchase, was “on its last legs.” Though supportive of the equipment lease, at least two City Council members reminded staff of the City Manager’s previous recommendation.

There has recently been substantial interest by members of City Council and the general public regarding the status of Bradford Creek Golf Course and its operations. In recognition of this interest, Director of Recreation and Parks Gary Fenton developed a Memorandum that proposed a timeline for evaluating the facility that included a Report being provided to City Council in August 2012. The proposed timeline would allow the completion of two years of operations without debt service as originally proposed by former City Manager Bowers. This Memorandum was distributed to City Council on April 4, 2012, via Notes to Council.

Councilmember Mitchell referenced this Memorandum and the associated timeline at the April 12, 2012, City Council meeting. He noted that City Council would need the information, including RFP requirements, prior to August in order to address the facility in the upcoming budgets currently being developed.

Section III. Review of Facility Operations

OPERATIONS OVERVIEW

- Bradford Creek Golf Course is an 18 hole facility located on 185 acres off of Old Pactolus Road. The course totals 7,151 yards and has bentgrass greens. Other amenities include a club house, pro shop, lighted driving range, and putting green. Weather and ground conditions permitting, it is open every day except Christmas. Instruction is also available.
- At peak season, weather permitting, the course is open 92 hours per week.
- There are 6 Full Time employees
 - **Golf Operations Manager (1)** - Responsible for overall course operations;
 - **Pro Shop Associates (2)** – Responsible for maintaining accounting records, compiling daily reports and deposit records; managing product sales, ordering/purchasing supplies; and supervising part time pro shop staff;
 - **Greens Supervisor (1)** – Responsible for overall maintenance; hiring, supervising and evaluating part time staff, materials purchasing, chemical applications, etc...;
 - **Assistant Greens Supervisor (1)** - Direct supervision of part time maintenance staff; mowing, overall assistance to Greens Supervisor, acting in his absence;
 - **Master Mechanic (1)** — Responsible for keeping all equipment properly maintained and functioning; assists with daily mowing and maintenance activities.
- Number part-time hours (at minimum wage) within budget: 11,972.

HOURS OF OPERATION (Spring – Fall 2012)

Days of Week	Pro Shop Hours	Driving Range Hours
Monday	7:30 am – 7:00 pm	7:30 am – 5:00 pm
Tuesday	7:30 am – 9:00 pm	10:00 am – 9:30 pm
Wednesday	7:30 am – 9:00 pm	7:30 am – 9:30 pm
Thursday	7:30 am – 9:00 pm	7:30 am – 9:30 pm
Friday	7:30 am – 9:00 pm	7:30 am – 9:30 pm
Saturday	7:30 am – 9:00 pm	7:30 am – 9:30 pm
Sunday	7:30 am – 9:00 pm	7:00 am – 9:30 pm

GOLF COURSE RATES

Day of Week	Rate	
	18 Holes with Cart	9 Holes with Cart
Monday, Tuesday, Wednesday, Thursday	\$29	\$20
Friday, Saturday, Sunday	\$35	\$22
	18 Holes Walking	9 Holes Walking
Monday, Tuesday, Wednesday, Thursday	\$19	\$15
Friday, Saturday, Sunday	\$22	\$17

Daily Specials

Tuesday's Senior Day \$22 18 holes with cart

Wednesday's Ladies Day \$22 18 holes with cart

Thursday's College Day \$22 18 holes with cart

*Must Show Valid Student ID

Twilight Special after 3:00 for all you can play

Monday - Thursday \$22 and Friday \$25

RANGE BALLS RATES

Small Bucket (60 Balls)	Medium Bucket (90 Balls)	Large Bucket (120 Balls)
\$6	\$7	\$8

THE CLUB ROOM RENTAL RATES

Day of Week	Rate
Monday – Thursday and Sunday	<p>\$500</p> <p>All rentals are in 4 hour blocks of time. Each additional hour is \$100 per hour.</p>
Friday and Saturday	<p>\$700</p> <p>All rentals are in 4 hour blocks of time. Each additional hour is \$125 per hour.</p>

FINANCIAL PERFORMANCE REVIEW

- **Year 1 (FY 99-00)** — (Partial year only) Revenues totaled \$422,380 + interest earnings of \$7,835. Expenses totaled \$343,451.
FISCAL NOTE: End year with + 86,764. (CAFR shows year-end balance of \$152,832. This difference of \$66,068 was a loan to the course as start up funds and is owed back to the General Fund, so it is not counted in the fiscal note for FY 99-00, above.)
- **Year 2 (FY 00-01)** — Revenues totaled \$863,460 + interest earnings of \$913. With expenses totaling \$948,009 (including debt retirement + interest of \$249,425), the course fell short of covering its expenses and debt service by \$84,549.
FISCAL NOTE: Covered all direct expenses and \$163,963 of debt/ interest.
- **Year 3 (FY 01-02)** — Revenues totaled \$945,225 + interest earnings of \$333. With expenses totaling \$978,988 (including debt retirement + interest of \$249,427), the course fell short of covering its expenses and debt service by \$33,430.
FISCAL NOTE: Covered all direct expenses and \$215,664 of debt/ interest.
- **Year 4 (FY 02-03)** — Revenues totaled \$772,129 + interest earnings of \$6,455. With expenses totaling \$860,397 (including debt retirement + interest of \$217,050), the course fell short of covering its expenses and debt service by \$81,813.
FISCAL NOTE: Covered all direct expenses and \$135,237 of debt/interest.
- **THE CITY REFINANCED THE DEBT 5/1/03. ORIGINAL SCHEDULE WAS A 5 YEAR PAYOFF. REFINANCING EXTENDED THE DEBT THROUGH 5/1/13, BUT REDUCED THE ANNUAL PAYMENT.**
- **Year 5 (FY 03-04)** — Revenues totaled \$848,150 + interest earnings of \$108. With expenses totaling \$861,494 (including debt retirement + interest of \$179,994), the course fell short of covering its expenses and debt service by \$13,236.
FISCAL NOTE: Covered all direct expenses and \$166,758 of debt/ interest.
- **Year 6 (FY 04-05)** — Revenues totaled \$885,708 + interest earnings of \$520. With expenses totaling \$901,441 (including debt retirement + interest of \$195,827), the course fell short of covering its expenses and debt service by \$15,212.
FISCAL NOTE: Covered all direct expenses and \$180,615 of debt/interest.
- **Year 7 (FY 05-06)** — Revenues totaled \$849,645 + interest earnings of \$406. With expenses totaling \$919,923 (including debt retirement + interest of \$177,833), the course fell short of covering its expenses and debt service by \$69,872.
FISCAL NOTE: Covered all direct expenses and \$107,961 of debt/interest.
- **Year 8 (FY 06-07)** — Revenues totaled \$842,587 + \$125,000 course improvement bequest + interest earnings of \$215. With expenses totaling \$1,050,938, (including debt retirement + interest of \$173,481), the course fell short of covering its expenses and debt service by \$83,136.
FISCAL NOTE: Covered all direct expenses and \$90,345 of debt/interest.

- **Year 9 (FY07-08)** — Revenues totaled \$876,662; no interest earnings. With expenses totaling \$972,283 (including debt retirement + interest of \$169,129), the course fell short of covering its expenses and debt service by \$ 95,621.
FISCAL NOTE: Covered all direct expenses and \$43,508 of debt/interest
- **Year 10 (FY08-09)** — Revenues totaled \$799,947 + an \$8,000 transfer from the Recreation and Parks budget for clubhouse painting in preparation for the League of Municipalities Conference; no interest earnings. With expenses totaling \$1,002,260 (including debt retirement + interest of \$164,777), the course fell short of covering its expenses and debt service by \$194,313
FISCAL NOTE: No debt/interest paid; fell short of covering direct expenses by \$29,536.
- **Year 11 (FY09-10)** — Revenues totaled \$753,478 with no interest earnings. With expenses totaling \$975,872 (including debt retirement + interest of \$160,425 + \$17,265 to repair collapsed cart bridge), the course fell short of covering its expenses and debt service by \$222,394.
FISCAL NOTE: No debt paid; fell short of covering direct expenses by \$44,704.

**AT THIS TIME THE BALANCE OF DEBT ON GOLF COURSE PAID OFF BY THE CITY.
NO DEBT SERVICE PAYMENTS WERE INCLUDED IN SUBSEQUENT BUDGETS.**

- **Year 12 (FY10-11)** — revenues totaled \$750,095; no interest earnings. Expenses totaled \$836,919.
FISCAL NOTE: Fell short of covering its direct expenses by \$86,824.

SUMMARY NOTES

- ↪ *During the 12 years of BCGC operations, course revenues only exceeded expenses/ debt service once.*
- ↪ *When considering only direct operating expenses, revenues exceeded direct expenses in nine of the 12 years, with revenues falling below direct expenditures three times within that period.*
- ↪ *Subtracting the total shortfall (from the three years revenues were less than direct expenses -- \$161,064), from the total of the profits (from the nine times they exceeded direct expenses – \$1,190,815), leaves a balance of \$1,029,751.*
- ↪ *This represents the net amount of Bradford Creek Golf Course debt service/interest payment covered by course revenues (and not by tax dollars).*

REVENUE HISTORY BY MONTH

	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
July	83,552	102,467	87,274	93,183	105,500	98,178	88,246	86,563	84,835
August	85,055	87,353	86,041	87,854	83,814	89,885	77,649	74,279	70,616
September	70,311	82,553	75,454	85,384	85,130	59,512	69,897	58,486	63,483
October	62,318	94,169	55,570	57,692	80,421	75,736	69,731	60,036	62,795
November	70,834	66,523	72,525	61,844	48,854	43,032	45,971	42,332	44,183
December	36,344	40,767	42,328	56,200	57,183	50,910	30,194	14,199	46,070
January	30,250	34,976	46,646	41,535	32,729	20,062	23,458	23,995	33,974
February	42,262	43,454	36,549	36,505	47,999	44,476	18,458	48,646	40,195
March	74,631	65,787	69,658	77,031	77,042	60,220	59,075	53,499	70,548
April	101,493	95,238	109,538	88,267	79,174	91,827	110,080	100,229	?
May	94,450	96,285	92,004	87,747	104,065	90,977	90,000	99,645	?
June	98,993	102,806	91,771	90,839	92,583	94,694	74,129	98,068	?
REVENUE TOTALS	\$850,493	\$912,378	\$865,358	\$864,081	\$894,494	\$819,509	\$756,888	\$759,977	\$516,699

DETAILED FISCAL YEAR 2011-2012 BUDGET**PRO SHOP OPERATIONS**

BUDGET #		DESCRIPTION	BUDGET AMOUNT
PRO SHOP PERSONNEL EXPENSE			
421	02 01	SALARIES FULL TIME STAFF	\$134,582
	02 03	SALARIES PART TIME STAFF	\$34,800
	03 01	FICA EXPENSE	\$10,296
	03 02	GROUP LIFE INSURANCE	\$316
	03 03	RETIREMENT	\$10,161
	03 04	HEALTH INSURANCE	\$26,241
		401(k) general Employees	\$3,137
		Workers Comp	\$323
TOTAL PRO SHOP PERSONNEL SERVICES			\$219,856
PRO SHOP OPERATING EXPENSE			
422	01 00	PRINTING	\$800
	02 00	TRAVEL	\$700
	05 01	MAINT & REPAIRS (EQUIP)	\$1,525
	05 03	MAINT & REPAIRS (BLDG & GRDS)	\$2,500
	07 00	SUPPLIES & MATERIALS	\$16,800
	08 18	COPIER MAINTENANCE	\$2,293
	09 00	DUES & SUBSCRIPTIONS	\$900
	13 00	ADVERTISING	\$2,000
	19 00	CONCESSIONS - Snack Bar	\$30,000
	19 01	CONCESSIONS - proshop	\$23,500
	21 00	GENERAL LIABILITY	\$24,970
TOTAL PRO SHOP OPERATING EXPENSES			\$105,988
TOTAL PRO SHOP BUDGET			\$325,844

MAINTENANCE OPERATIONS

BUDGET NUMBER		DESCRIPTION	BUDGET AMOUNT
MAINTENANCE PERSONNEL SERVICES			
421	02 01	SALARIES FULL TIME STAFF	\$133,126
	02 03	SALARIES PART TIME STAFF	\$52,000
	316	401(k) General Employees	\$3,103
	03 02	FICA EXPENSE	\$10,184
	03 03	GROUP LIFE INSURANCE	\$313
	03 04	RETIREMENT	\$10,050
	0	HEALTH INSURANCE	\$25,957
	0	WORKERS COMP	\$319
TOTAL MAINTENANCE PERSONNEL SERVICES			\$235,052
OPERATING EXPENSE			
422	01 00	PRINTING	\$0
422	05 01	MAINT & REPAIRS (EQUIP)	\$8,475
	05 03	MAINT & REPAIRS (BLDGS)	\$1,500
	07 00	SUPPLIES & MATERIALS	\$83,200
	08 01	CONTRACTED SERVICES	\$115,863
	09 00	DUES AND SUBSCRIPTIONS	\$1,200
422	17 00	UTILITIES	\$38,000
	18 00	FUEL	\$28,000
	20 00	LAUNDRY AND DRY CLEANING	\$8,580
TOTAL MAINTENANCE OPERATING EXPENSES			\$284,818
CAPITAL OUTLAY			
423	75 00	IMPROVEMENTS	\$0
	74 01	EQUIPMENT	\$0
TOTAL CAPITAL OUTLAY			\$0
TOTAL MAINTENANCE BUDGET			\$519,870

SUMMARY BUDGET FOR BRADFORD CREEK PUBLIC GOLF COURSE

Programs & Operations	325,844	38.5%
Course Maintenance	519,870	61.5%
Debt Payment	0	0.0%
Total Expenditures	845,714	100.0%

BUDGET BREAKOUT

54.6% Payroll Expense
45.4% Operating Budget (proshop & maint.)

REVENUE SOURCES; TYPICAL

SOURCE	% OF REVENUE
Green Fees	69
Cart Fees	2.3
Driving Range	12
Concessions; Pro Shop	3.6
Concessions; Snack Bar	7.1
Other	6
	100

EQUIPMENT LEASE DETAILS. NOTE: ALL LEASES ARE NON-TRANSFERABLE

GOLF

CARTS:

Textron; E-Z Go Carts. Lease signed Nov. 24, 2009. Non-Transferable Lease, no purchase option. \$3998/month @48 Months.

MAINTENANCE EQUIPMENT:

John Deere; Lease Oct 26, 2007. \$30,924 annual payment, 5 years. 2 greens aerators, 2 greens mowers, one 72" mower, 1 trim mower.

MAINTENANCE EQUIPMENT:

John Deere; Lease July 6, 2011, runs thru 2016. \$22,985 annual payment. Pro gator utility unit, sprayer, utility tractor, greens roller, fairway aerifier, 16' flex mower, top dresser.

All remaining equipment is city owned & came with the course at the time of course purchase in 2003. This equipment is generally in poor condition due to age.

ACTIVITY RECORD

ROUNDS PLAYED –

- FY10-11 – 21,672 rounds of golf played Current year – 17,340 rounds of golf as of 4/16.

PROGRAMS –

- **JUNIOR GOLF PROGRAMS**

- **SNAG GOLF** (ages 4-10) – Hosted 6 two day clinics during the year. Each clinic is 1 hour. 10-15 kids per clinic.
- **Practice With the Pro Junior Clinic** – Hosted 24 PWP clinics. Each clinic is 1 hour. 10-15 kids per clinic.
- **Bradford Creek Junior Camp** – Hosted 2 four-day camps each summer. Each day is 3 hours. 25 – 30 juniors per camp.
- **Kevin Williams Golf Academy** – Hosted 2 four day camps featuring ECU Golf Coach Kevin Williams. Camps are all day; 10-15 participants kids. 8-18
- **Bradford Creek Junior Golf Summer Program** - Summer long program has activities for Junior Golfer twice a week for 8 weeks. Ages 7-18. 60 -80 kids involved.
- **Bradford Creek Junior Golf Team**- Junior golf team members compete in 6 regional tournaments and one State competition.
- **Coastal Plains Junior Amateur** – Statewide competition that brings in over 120 junior golfers from all across NC and SC.
- **PAL Minority Youth Golf Program** – Golf Program in partnership with the Greenville Police Athletic League (PAL). Youth are introduced to golf through a series of clinics. 15 youngsters participate in each clinic.
- **Cornerstone Baptist Church Golf Program** – Golf program in partnership with Cornerstone church. Youth are introduced to the game of golf through a series of clinics. 15 youngsters participated in each clinic

- **ADULT GOLF PROGRAMS**

- **Ladies Nine and Wine** – Women’s introductory golf program and social party. Approximately 40 women are registered.
- **Get Golf Ready beginners clinic** – Week long clinic designed to introduce the game to beginners and those who have not played for some time.
- **VIP Appreciation Nite**- Adult tournament and social series for VIP partners program members

SERVICES PROVIDED WITHOUT FULL COST RECOVERY

Some activities and services at Bradford Creek Golf Course are provided without recovering costs, primarily because they are provided to non-profits or low income families/youth. A description of these services, including their estimated value, is provided below.

Police Athletic League — The course has donated one set of “Starting New at Golf” (SNAG) equipment (**value \$2,500**) to the PAL program, and Bradford Creek pro Mike Cato trained the PAL staff in how to properly use the equipment for instruction. In addition, Mr. Cato, with assistance from the Golf Course Advisory Board, applied for and received a **\$2,500 Carolina Golf Association** grant, to provide golf opportunities to PAL participants.

Cornerstone Church — For the past two years the church has worked with the Bradford Creek Pro to develop a series of instructional programs for young church members. Six sessions are held, 90 minutes each, for total of 9 hours of instruction. The first two sessions are offered at the church using the SNAG equipment, then the next four are hosted at the course itself. There are two instructors for each session. The church does pay a \$500 fee for the 6 session program, but the normal instructional rate for two instructors for 9 hours, is \$810. Another program is scheduled for this year.

Non-Profit fundraisers: Approximately 60 rounds of golf are donated each year to non-profits for fundraisers. **Value: \$2,100.** In addition, tournament greens fees are reduced by \$5/round weekend, and \$7/round weekdays, when tournament has more than 60 participants.

Coastal Plains Junior Amateur Tournament — Participants pay \$60 entry fee. This represents a greens fee reduction, and also covers all awards, prizes, etc. (**Value: \$1,800.**) The 3 day tournament attracts more than 120 players and their families. Recognizing that many of the participants and their families will stay in a local hotel for at least two nights, this event does provide a positive economic impact for the community.

Use of “The Club Room” by Greenville City Council — The Greenville City Council occasionally uses The Club Room for their annual goal setting session and other special events (**Value: \$1,200 for 8 hours of Saturday use**).

RECENT MARKETING INITIATIVES

- GTV9 — Special announcements, “Tips from the Pro,” and an occasional “City Scene” highlight the course facilities, programs, and special events.
- Weekly sports page submission to *The Daily Reflector*.
- Advertising of holiday specials in newspaper.
- Quality brochures and flyers developed for expos and business venues.
- In person presentations to local civic groups.
- Pro and Bradford Creek Manager Mike Cato occasionally a guest on the *Talk of the Town* radio / television program.
- Fore Reservation system initiated; allows on-line tee time reservations, attractive “stand alone” website that is linked to City’s website, e-mail subscription list and e-newsletter templates. (3,900 registered subscribers at this time.)
- Marketing campaign targeted off campus student housing and local hotels; discount coupons, with map to course from hotel. If hotel arranges tee time for guest, guest receives V.I.P. Rate.
- VIP Partners Program; Established in July 2010 / \$59.95 initially, \$39.95 renewal. Participants get \$5 discount on 18 holes, \$3 on nine. Quarterly discount and specials coupons + rewards card that provides 10% credit for use on future cart fees, range balls or greens fees. 280 people are currently registered for this program.

TOURNAMENT HISTORY (2005-2012)

2012

4/ 9 - Down East Women
4/ 19 - St. Peters Match
4/ 21 - Sigma Epps Alumni
4/ 10-11 – ECU intramurals
5/ 1 - Trinity golf Match
5/ 12 – St. Peters Match
5/ 19 -Tarheel Youth Golf Assn
7/ 2-3 - Coastal Plains Jr. Amateur
7/ 6 - Eppes Alumni
11/11-13 - NCRPA Conference

2011

3/ 26 - Fraternity tournament
4/ 2 - American Cancer Society
4/ 9 - AAU Jr.
4/ 11 - ECU intramurals Qualifier
4/ 14 - North Pitt Match
4/ 21 - Red Devils
4/30 - School of Med.
6/ 2 - Tidewaters Seniors
7/ 5-6 - Coastal Plains
7/ 18 - Jr. Golf Match ENCJGL
10/14 - United Way
10/15 -Phi Gamma Delta
11/3 - P.A.L.

2010

3/29-30 - ECU intramurals
4/ 5-6 - ECU intramurals
4/ 10 - Chi Omega
4/12 - North Pitt Match
4/17 - Beta Phi Founders Day
6/ 4 -United Way
6/16 - Babe Ruth
6/28 - US Jr. Am Qualifier
7/ 1 – AJGT
7/5-6 - Coastal Plains
10/9-10 - TYGA

2009

3/ 10 - Tidewater Seniors
3/16 - DEWGA
4/1 - ECU Hockey
4/ 11 - Delta Chi Jimmy V Classic
4/ 25 -Chi Omega Make-A-Wish

5/10 - Sweet Heart Tournament
5/ 11 - ECU Baptist Ministry
5/28 - 1st Pentecostal
6/ 5 - GAPMA
7/7-8 - Coastal Plains
8/ 10-11 - ENCJGL Finals
8/22 - Bishops Cup
9/11 - United Way
10/13 - Babe Ruth
10/24 - League of Municipalities
10/31 - Church of God
11/14 - TYGA Fall Classic

2008

3/8 – Sigman
4/ 1 - Trinity Match
4/ 3 - Trinity Match
4/ 26 - Sweet Heart
4/28 - ECU Baptist Ministry.
5/10 - NACCO outing
5/ 17 - Assembly of God
6/ 7 - Bishop Cup
6/10- Pitt County Coaches
6/11 - NJGT
7/4 - Eppes Alumni
7/8-9 - Coastal Plains
7/19 Bishops Cup
9 /5 - United Way
9 /30 - Babe Ruth
10/4 - NACCO
10/10 - Womack Electric
10/26 - Toni Pierson
11/7 - P.A.I.D

2007

3/ 3 - NJGA
4/ 1-3 - ECU Men’s Spring
Intercollegiate
4 /14 - LAMDA CHI ALPHA
4 /23 - North Pitt Match
4/28 - Phi Sigma
5/ 5-6 - NJGA
6/12-13 - Coastal Plains
6/16 - Bishop Cup
6/30 - Keller Williams
4/ 5 – Eppes Alumni
4/19 - NJGA
4/26 - ENCJGL Match
8/13 - League final ENCJGL

9/7 - United Way
9/29 - Fountain Power Boats
10/2 - AIT
10/13 - NACCO Tournament
10/17 - APWA
10/20-21 - TYGA
10/27 - EJGA

2006

3/ 30–4/1 - ECU Men
5/20 - Keller Williams
5 /26 - For Kids Golf Classic
6/3 – NACCO
6/17 - Bishop Cup
6/19 - CIJGT
6/20 - ENCJGL match
6/29 - US Junior Qualifier
7/1 - Keller Williams
7/ 17 - 18 - Coastal Plains
8/ 26- Greenville Moose Lodge
9 /6 - Tide Water Seniors
9/10 - CIJGT
9/ 16-17 - ECU Club Golf
9 /26 - Babe Ruth
10/20-21 - Taco Bell Lady Pirate
10/28 - Moose Lodge

2005

3/18-19 ECU Men’s Intercollegiate
4/ 1 - Special Olympics
4/ 9-Keller Williams
5/ 21 - Bishops Cup
6/1 - Food Lion
7/ 11-12 - Coastal Plains
7/20 - TYGA
8 20 – Pop Warner
9/7 - Tidewater Seniors
9/10 - Keller Williams
9/27 - Babe Ruth
10/1 - Fed Ex.
10/8 - NACCO
10/15-16 - EJGA
10/22-23 - Lady Pirates
11/3 - Bill Clark Homes
11/5 - Pirate Day
11/12 - Washington Moose Lodge

Section IV. Inventory of Area Golf Facilities

Staff has created an inventory of the local golf courses and provided basic information related to their operations. The data below is based on an individual playing 18 holes with cart rental.

<u>Course/location</u>	<u>Classification</u>	<u>Weekdays</u>	<u>Weekends</u>
Greenville courses:			
<i>Brook Valley Country Club (Greenville)</i>	<i>Private</i>	<i>\$75.00</i>	<i>\$75.00</i>
<i>Greenville Country Club (Greenville)</i>	<i>Private</i>	<i>\$50.00</i>	<i>\$50.00</i>
<i>Ironwood Country Club (Greenville)</i>	<i>Semi Private</i>	<i>\$50.00</i>	<i>\$55.00</i>
<i>BRADFORD CREEK (Greenville)</i>	<i>Public/Municipal</i>	<i>\$29.00</i>	<i>\$35.00</i>
Regional Private/Semi Private:			
<i>Ayden Country Club (Ayden)</i>	<i>Semi Private</i>	<i>\$30.00</i>	<i>\$35.00</i>
<i>Farmville Country Club (Farmville)</i>	<i>Semi Private</i>	<i>\$30.00</i>	<i>\$35.00</i>
<i>Cutter Creek Golf Course (Snow Hill)</i>	<i>Semi Private</i>	<i>\$45.00</i>	<i>\$55.00</i>
<i>Cypress Landing (Chocowinity)</i>	<i>Semi Private</i>	<i>\$50.00</i>	<i>\$50.00</i>
<i>Falling Creek (Kinston)</i>	<i>Semi Private</i>	<i>\$33.00</i>	<i>\$38.00</i>
<i>Maccripine Country Club (Pinetops)</i>	<i>Semi Private</i>	<i>\$29.00</i>	<i>\$34.00</i>
<i>Wilson Country Club (Wilson)</i>	<i>Private</i>	<i>\$56.00</i>	<i>\$56.00</i>
Regional Public Courses:			
<i>Wedgewood (Wilson)</i>	<i>Public/Municipal</i>	<i>\$25.00</i>	<i>\$30.00</i>
<i>Goldsboro Municipal (Goldsboro)</i>	<i>Public Municipal</i>	<i>\$26.00</i>	<i>\$36.00</i>
<i>The Links at Cotton Valley (Tarboro)</i>	<i>Public</i>	<i>\$25.00</i>	<i>\$35.00</i>
<i>Happy Valley (Wilson)</i>	<i>Public</i>	<i>\$27.00</i>	<i>\$32.00</i>
<i>Willow Springs (Wilson)</i>	<i>Public</i>	<i>\$25.00</i>	<i>\$35.00</i>

- NOTES -

Private rates below represent fees for guests. (Non-members can play these courses if accompanied by a member.) Members pay monthly dues of \$200-300 + a minimum food or pro shop expenditure. This does not include any initial membership fee.

Semi Private = Memberships available but not required. Accepts "walk-ups."

Public/Municipal = Open to all, owned/operated by town, city or county.

Public – Privately owned but open to all; memberships may be an option.

Section V. Operational Alternatives

(Option 1)

Close the course & offer it for sale as a golf course: If to be sold for golf purposes, maintenance must be continued at current level until sale completes.

(Option 2)

Close the course and offer it for sale for some other use (as determined by new owner): Mowing would have to continue at a minimal level to comply with the City's nuisance ordinance. The greens could be abandoned; if the facility was allowed to "go to seed" it would be extremely expensive to restore it to playable course quality. The greens would have to be replaced, and restoring the fairways to a playable condition would take some time.

Bradford Creek is in the flood plain. The area and clubhouse flooded during Hurricane Floyd. As a result, any home sites built on this land must be elevated. There could be limited demand for residential development, but it could be sold as agricultural land (but perhaps at a lower price).

(Option 3)

Operate the course as a park & rent the clubhouse for events: The 185 acre course currently has 120 mowed acres. The number of maintained acres could be reduced. Contract mowing costs are estimated at \$35/acre; this could be a significant annual cost depending on amount of mowing required. Maintaining a new park site of this magnitude is much more than current staffing could absorb. Additional staff would be needed.

The land could be operated as a passive park "as is," but the development of other facilities would require capital funding.

(Option 4)

Solicit a management company to operate the entire facility under a lease agreement: This operational model can be successfully employed but requires a significant amount of staff management time to inspect the leased facility and work with the operator to ensure contract compliance. Mecklenburg County operates four courses leased to a single company. They utilize three County staff members (their golf management team), each devoting a portion of their time to this contract, in order to mitigate the burden on any one individual.

To move forward, a Request for Proposal (RFP) must be prepared and circulated to all potential qualified operators. This RFP document will outline in detail the city's requirements for the operator. The development of an RFP of this nature is very labor intensive as very clear expectations for the RFP requirements must be communicated prior to preparation and distribution.

Advantages of Option 4:

- The operator has complete flexibility with, and responsibility for, all employees at the course.
- A clause can be included in the contract requiring a certain level of maintenance and capital reinvestment in the course, thus protecting the City's asset.
- The City may realize a return from the course, although typically this is not a substantial amount of money. As noted, contracts often require a level of capital investment during the initial years with no payback to the owner, then after a designated number of years payment to the City can be expected on a gradually increasing scale.

Disadvantages of Option 4:

- While requiring the contractor to provide “a vibrant youth golf program, or “a minority golf initiative” can be included within the contract, these may not be a real priority for the operator, since they aren’t “big money makers.” If these programs are not enthusiastically promoted they may fail.
- Implementation will be time consuming and it will be difficult to keep our current skilled staff on board until transition is complete. That is particularly worrisome in the case of the greens superintendent as his skills are specific, unique in the organization and valuable.
- Once the contract is functional, a monthly course inspection and management meeting will be needed to ensure that the course is not deteriorating in quality and that all requirements of the lease are being met. This requires significant staff time. How to provide that is uncertain.
- If operational expectations are not being met, lease termination is complex and difficult. An operator who is failing will typically not keep up with course maintenance which can result in expensive damage to the City’s asset. Of primary concern would be the bentgrass greens, which can be totally lost if not continually maintained. Restoration of the greens would be expensive, and the course would be unplayable for an extended period.

(Option 5)

Solicit a management company to operate the clubhouse/ course operations and course maintenance stays with the city: The RFP requirement and process as outlined above remains the same.

Advantages of Option 5:

- Since course maintenance stays with the city, course quality is assured as long as the maintenance budget remains sufficient and consistent (i.e. the City can protect its asset).

Disadvantages of Option 5:

- Requires a maintenance budget. Potential conflicts between operator and maintenance.
- It may require a capital budget if contractor is not required to provide capital improvements.

(Option 6)

Continue to Operate as an Enterprise Fund in FY 13: Implement additional efforts to cover direct costs with revenues and conduct a contracted operations analysis by the National Golf Foundation. A sample NGF proposal for the City of Burbank, CA is attached. (The cost for a study similar in scope would be approximately \$20,000). Additional efforts to cover direct costs with revenues could include the following:

- Increasing fees for all users;
- Creating a higher fee structure for non-city residents;
- Fee for outside professionals giving lessons at the facility;
- Modifications in staffing levels;
- Additional operational efficiencies

(Option 7)

Operate within General Fund, but with a budget specifically established for the course with revenues equaling at least 90% of direct operating expenses. Consider putting any revenue excesses above the 90% into a protected capital fund to assist with future capital improvements on the course. This option could include implementing the additional efforts to cover direct costs with revenues provided in Option 6, herein.

Section VI. Process and Substance for a Request for Proposals

The process of securing a contracted private operator, should City Council choose to do so, will likely take at least 6 months. This proposed time period is established recognizing the complexities involved in creating an RFP of sufficient detail to express the City's expectations of a private operator; providing prospective private operators sufficient time to develop and submit a proposal; and providing the City time to review and evaluate the submitted proposals. During that time period the course will need to be maintained at its current level of quality, and a transition plan established to "hand off" the operation to the contractor.

If City Council chooses to move forward with soliciting proposals from private operators, staff will need to receive direction regarding the type of golf operation City Council desires. To this end, staff would recommend City Council adopt an official "service philosophy" for Bradford Creek Golf Course that would identify the "target market" and determine related requirements to be included within the RFP and any subsequent operations agreement.

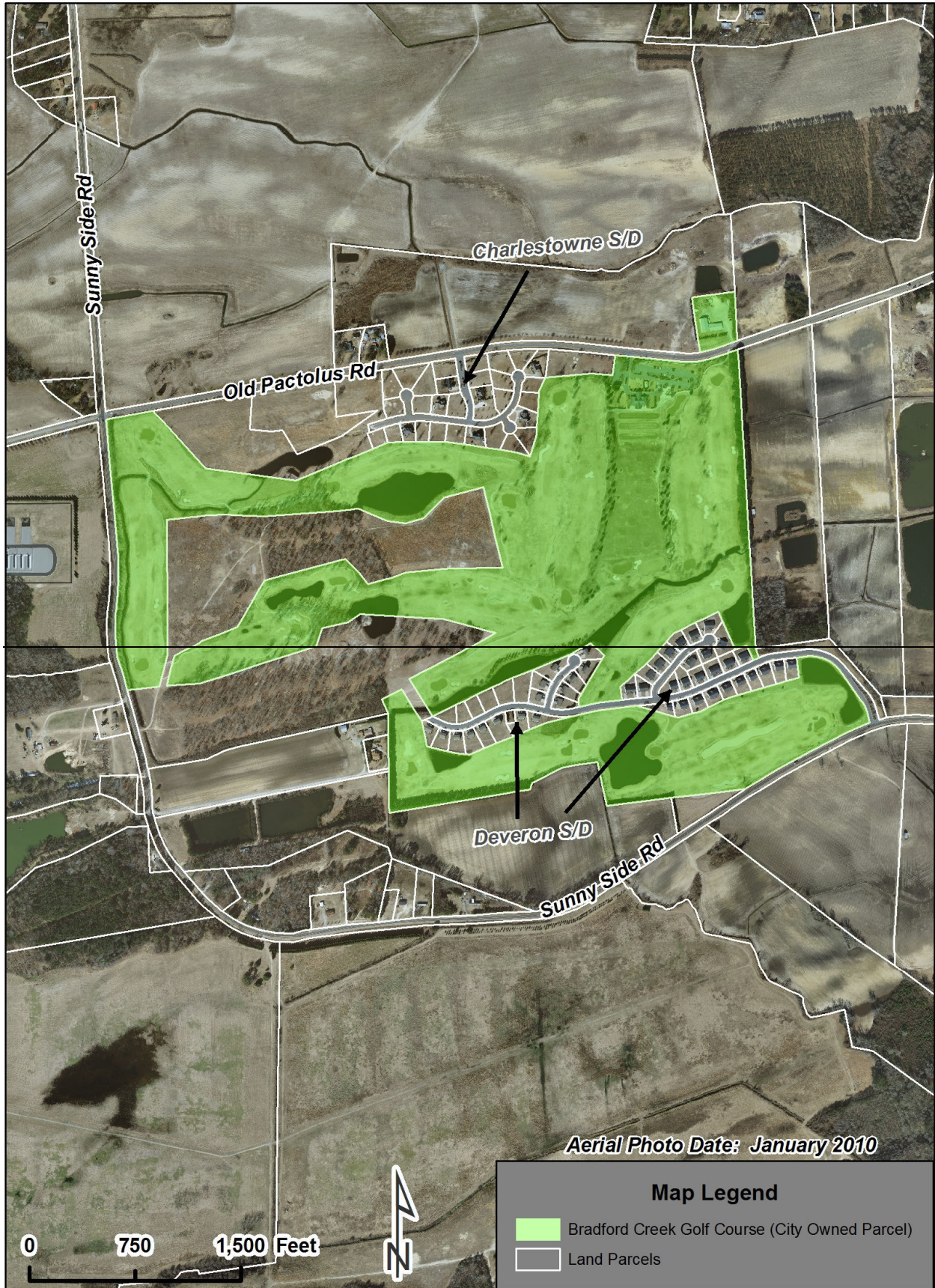
Examples of the types of questions that would be answered by a service philosophy include:

- *Does City Council approve the initial fee structure and future fee changes?*
- *What programming obligations will be required (such as youth leagues, P.A.L. program support, etc.)?*
- *Tournament requirements — Must the contractor provide discounted fees for non-profit organization's tournaments/fundraisers?*
- *Should contractor be required to give current Bradford Creek existing staff "first right of refusal" when initially filling positions?*
- *Capital Improvement obligations — Will the contractor be required to provide needed capital improvements, and how will need be determined?*
- *Fee waivers/modification — Will any fee reduction consideration be given to low income residents?*
- *Will City residents be given discounted rates?*
- *Should the clubhouse and/or course be available (on a limited basis) at no charge, for City sponsored meetings or events?*

Once these types of decisions have been made, staff will develop an RFP, which would then be approved by and issued through the City's Purchasing Division, with a deadline for submission six weeks later. After the deadline, a committee of stakeholders will meet to evaluate the submitted proposals and bring a recommendation to Council.

A copy of a private operator's response to a RFP issued by the City of Rockville, Maryland is included as an attachment to this Report.

Section VII. Bradford Creek Golf Course Map





Tel: (818) 238-5315
jbartolo@ci.burbank.ca.us

July 19, 2011

Jan Bartolo
Deputy Director
Park, Recreation and Community Services Dept.
City of Burbank
150 North Third Street
Burbank, CA 91510-6459

Re: NGF Consulting Services for DeBell Golf Course

Proposal #211041

Dear Jan:

National Golf Foundation Consulting, Inc. ("NGF Consulting" or "NGFC") is pleased to submit this proposal and statement of qualifications for consulting services concerning the City of Burbank's 27-hole DeBell Golf Course. We understand that the City of Burbank ("City") is seeking an independent golf industry expert to review and assess its overall golf operations. The primary goal of this comprehensive operations review will be to formulate recommendations that will result in increased rounds played and net revenue performance for each facility, so that City meets its financial objectives for the golf Enterprise Fund.

NGF Consulting is uniquely qualified to conduct this study for the City. The NGF has more experience than any other organization (qualifications enclosed) in helping municipalities optimize their golf facility operations. We are the recognized industry leader in golf facility consulting and boast an extensive client list. Recent similar NGF municipal engagements include the cities of Dearborn, MI; Omaha, NE; Redmond, OR; Brookline, MA; and the State of Georgia. Past California municipal clients include the cities of Palm Springs, Victorville, San Francisco, San Diego, Alameda, Antioch, and Livermore.

The team of consultants the NGF will bring to this project possesses comprehensive and relevant experience in golf and economic consulting, golf facility operations, golf facility design, and financing. Because the NGF does not solicit business for the design, financing, construction, or operation of golf courses, we offer our clients the highest level of objectivity in all consulting assignments.

This proposal includes a profile of NGF Consulting and its staff, our approach to the proposed project, a cost proposal, and references. Thank you for the opportunity to submit this proposal. Please call if you have any questions or if we need to refine the scope of services to more accurately reflect the City's requirements.

APPROACH TO THE PROJECT AND PROPOSED SCOPE OF SERVICES

Overall, the engagement is envisioned to be organized to accomplish the basic project objectives as identified by the City of Burbank:

- **Community Input** – At City request, the NGF team will collect input from various golf course constituents to gauge opinions about the operation of the golf course from key stakeholders.
- **Operations Analysis** - The NGF team will review the overall operating and management structure of DeBell Golf Course, with an emphasis on the overall efficiency of operations. The analysis will include: operating structure, contracts in place, pricing / market positioning, marketing strategies, revenue generation, growth opportunities, expense management, and capital reserve funding.
- **Golf Course Physical Review** – Review the physical condition of DeBell Golf Course to identify key physical areas that could be viably enhanced to either (1) improve revenue performance; or (2) reduce expenses in the operation.
- **Management Alternatives** – NGF will evaluate relevant options available to the City of Burbank for the continued operation of DeBell GC, including (but not limited to) continuing on an as-is basis, outsourcing all management and maintenance to a full-service management company, or taking all operations under full City control. Viable options will be identified, and the costs/benefits and financial implication of each option will be presented.
- **Competitive Market Analysis** - The NGF team will develop a detailed analysis of the defined golf market area to gain a thorough understanding of the supply/demand dynamic that is driving the competitive golf market for DeBell GC.
- **Operational Recommendations** - Based on our review, the NGF team will make recommendations that the City may use to develop a business and marketing plan for the continued operations of the golf course. The desired outcome of this phase of the study is to identify the optimal operating structure for the golf facility, maximize rounds and net revenues, and maintain or enhance the golfer experience.
- **Golf Course Financial Analysis** - NGF will perform a detailed analysis of recent historical operating data for DeBell Golf Course, including rounds, revenues, and expenses. Based on our entire operations review, we will also craft pro forma projections for future economic performance for the golf facility under each of the relevant management structures and assuming the key NGF recommendations are implemented. The second component of this study phase will include a discussion of the status of the Enterprise Fund and how it relates to the health of ongoing operations, including capital improvement funding. NGF will also detail trends we are observing nationally with respect to municipal golf, including the public policy implications of taxpayer subsidies.

To address the above noted project objectives, NGF Consulting proposes to complete the scope of services set forth in this proposal in the following sequence:

- Task One: Project Coordination and Site Visit
- Task Two: Facility and Operations Review
- Task Three: Market Analysis
- Task Four: Evaluation of Management Alternatives
- Task Five: Recommendations
- Task Six: Financial Analysis
- Task Seven: Project Deliverables

Task One: Project Coordination and Site Visit

Upon receiving your authorization to proceed, NGF Consulting will arrange for the consultant(s) to travel to City of Burbank to attend meetings and coordinate the field research phase of the engagement. During this time the consultant(s) will:

- Commence the study with meetings with the key Parks and other City staff to review the scope of work for this project and gain a broad understanding of the City of Burbank golf system. The kick-off meeting will include an initial presentation by NGF Consulting that will outline the scope of services and project approach. This process will be repeated as needed throughout the project in order to discuss any necessary refinements, additions, or deletions to the scope of work.
- Meet with key golf course operations and maintenance staff, including the Director of Golf, Golf Professional, Superintendent, and Food & Beverage Manager to obtain information on current golf operations. These meetings will provide NGF Consulting with the necessary background and will aid in assessing how operations have evolved into their present status.
- At City request, conduct interviews with key stakeholders of the golf course, including any clubs (Men's, Ladies', Senior's, etc.), advisory committees, etc. The objective of the meetings will be to capture the opinions, suggestions, and comments of these constituencies regarding the future direction of DeBell Golf Course.
- Collect from the City relevant data, documents, and contracts that pertain to the golf operations. This material will include recent historical financial records, budgets, activity reports, contracts, marketing plans and materials, and policies and procedures.
- Visit and inspect the DeBell Golf Course, including support amenities (e.g., clubhouse), and other structures.
- Visit competitive golf facilities in the local market area to gain an understanding of the demand/supply dynamic that is shaping the competitive golf market, and to determine the market positioning of DeBell GC.

Task Two: Facility and Operations Reviews

NGF Consulting will perform a review of the operations and maintenance of the DeBell Golf Course. NGF Consulting will examine key operational parameters, including a thorough review of recent operating results and the overall administration and oversight of the facility. Our analysis will include: pricing, revenue generation, future growth potential, contracts in place, programming, rules and policies, operating expenses, and an identification of capital improvement needs.

The review will comprise the components described below.

Physical Review

NGF Consulting will review the physical condition of DeBell Golf Course and identify key areas that are deficient and/or in need of improvement. This review will include both the golf course playing areas and support amenities. The focus of the NGF Consulting review will be to identify key physical areas that could be enhanced to either (1) improve revenue performance; or (2) reduce expenses in the operation.

The NGF Consulting team will review key components of the physical condition of DeBell GC, including:

- Golf layout and playability
- Standards of quality
- Maintenance practices and appropriate budget
- Condition of greens, tees, fairways, roughs, bunkers, ponds and cart paths
- Irrigation system
- Driving range + practice green
- Food and beverage operation
- Clubhouse / pro shop
- Budget review: relevant records and reports for last five years

Management and Operations

Prior to the site visit, we will request from the City relevant data and documents that pertain to golf operations. This material will include financial records, budgets, activity reports, and policies and procedures. Our analysis will include a review of:

- Organizational structure
- Management and oversight
- Contracts in place
- Green/cart/membership fees
- Golf operations policies
- Marketing activities
- Outside services
- Rounds played trends
- Financial statements (revenue and expense analysis)
- Staffing levels
- Customer service

- Tournament/outing policy
- Clubhouse operations and staffing
- Profit center evaluation
 - Golf revenue
 - Food and beverage
 - Driving range
 - Merchandise
 - Other concessions, if any
- Player development programs (including Junior Golf)

NGF Consulting will draw comparisons of DeBell Golf Course operating results to norms within the municipal golf industry. We are uniquely qualified to perform this comparison to benchmark municipal golf data due to our vast experience in performing municipal golf system reviews. We are also able to gain valuable insight from the NGF's research publication, *18-hole Golf Facility Operations Profile*, published in 2010. Our analysis of management and operations will allow us to make recommendations that will result in improvements in efficiency, increased activity levels, and potential cost savings.

Customer Survey

To hear the voice of DeBell GC customers and measure their satisfaction, NGF will, at City request, implement NGF's GolfSat Survey over a defined period of time (approximately 3-4 weeks). The survey will be administered online, available as an e-mail link sent to customers and by a link on the City's and the golf course's website. NGF Consulting will analyze the results and provide the City with an understanding of its golf operation in relation to customers and competition.

The survey is intended to measure, among other things:

- Customer perceptions of the facility
- Where the facility rates on various key business drivers, benchmarked against the competition
- Customer loyalty and perceptions of relevant competition
- The subject facility's "wallet share" of its customers' golf dollars spent
- Customer profiles and origin
- Verbatim comments

Task Three: Market Analysis

NGF Consulting will develop a detailed analysis to gain a thorough understanding of the supply/demand dynamic that is driving the competitive public access golf market that DeBell GC operates in. This will include a comparison of operating results from DeBell to similar competing golf facilities, both municipal and daily fee, in the local and regional trade area. Trends with respect to fees and activity levels will be carefully examined so that we can identify the appropriate price value proposition for DeBell GC. Finally, NGF Consulting will review any planned new golf facilities that may impact the continued operation of the subject golf facility.

The second component of the market analysis will be an overview of demographic and socio-economic trends in the local market, and their potential to affect the demand for golf at various

price points. Considered in context with the competitive analysis, this will allow us to form a realistic picture of the present and projected future status of the public golf market, and to identify any potential market opportunities for DeBell GC.

Task Four: Evaluation of Management Alternatives

NGF Consulting will present an analysis of the various management and maintenance structures that municipalities typically utilize for their golf systems. In the case of City of Burbank, we will evaluate several alternatives for DeBell Golf Course (with current and projected costs under the current multiple-concessionaire structure used as a baseline for evaluating alternatives), including the following:

- Continued operation with multiple concessionaires
- Full self-operation and maintenance by the City (all City employees)
- Self-operation w/ outsourced maintenance
- Self-operation and maintenance of golf course, w/ outsourced (e.g., franchise/lease) food & beverage
- Full service management contract
- Long-term lease

NGF Consulting will present an analysis of the relative cost effectiveness of continuing the current operating structure versus employing one of the other alternatives listed above. Each alternative will be discussed in detail, including the short-term and long-term advantages and disadvantages, potential risks, and financial implications associated with each option.

Task Five: Recommendations

Based on the operational and management analysis of DeBell Golf Course, interviews with stakeholders and customers, the results of our comprehensive market analysis, and the City's objectives for ongoing operations, NGF Consulting will prepare a set of recommendations that the City can utilize to enhance its business / marketing plan for the facility. The objective of the recommendations will be maximize market share and net revenues so that the City can meet its financial objectives with respect to golf, while also allowing the Enterprise Fund sufficient reserves to fund needed capital improvements.

The recommendations and topics covered will include, but not be limited to:

- Overall operating and management structure of DeBell Golf Course
- Revenue center enhancement
- Fee structures that would result in revenue optimization
- Golf operations policies
- Budgets
- Expense Management
- Staffing levels
- Customer service
- Marketing / advertising programs
- Membership / loyalty programs
- Player development programs

Task Six: Financial Analysis

Cash Flow Scenarios

NGF Consulting will analyze all revenue and expense categories to estimate potential financial performance of DeBell Golf Course under the various operating structures analyzed previously and assuming implementation of key NGF recommendations. This phase of the study process will involve integrating market findings, historical financial performance, and expected use levels into a five-year cash flow pro forma for the golf facility.

In consideration of market conditions and proposed quality of services, attainable fee levels will be estimated and detailed revenue and expense estimates developed for each facet of the golf operation. The financial pro forma statement will also provide a projection for the accumulated Enterprise Fund balance over the five-year period. NGF Consulting's financial pro formas are prepared for feasibility purposes and therefore will be conservative and unbiased.

Discussion of Status of Enterprise Fund Balance / Implications for Golf Operations

The second component of the financial analysis will include a discussion of the status of the Enterprise Fund and its implications for the health of ongoing operations, including capital improvement funding. NGF will also detail trends we are observing nationally with respect to municipal golf, including the public policy implications associated with taxpayer subsidies of the Enterprise Fund.

Task Seven: Project Deliverables

NGF Consulting anticipates frequent communication with appropriate City and golf course staff during this engagement. Deliverables to the client for this project include:

- Consultant activities on-site at City offices and at DeBell Golf Course, including meetings and presentations with City staff, golf course operations staff, and key stakeholder groups.
- A detailed written report that will contain all findings, recommendations, and documentation, as well as a concise executive summary. A draft version of the document will be made available to the City for review and comments. Upon authorization, bound copies and an electronic version of the final report will be delivered.
- At the conclusion of the study process, NGF Consulting will develop. At City request, the lead NGF consultant will also be available to make a formal presentation of findings to City officials, and be available to answer any questions from other groups the client may deem appropriate.

PROFESSIONAL FEES

NGF Consulting will perform the scope of services, as outlined above, for the professional fee of **\$22,500**. This fee does not include reimbursement of direct project expenses associated with the initial field visit to Burbank, purchase of demographic data, etc. These expenses will be billed at cost and will not exceed **\$3,500** without the client's permission. (If an additional site visit is required for a presentation of findings, no additional professional fees will be charged, but direct travel-related expenses will be billed to the City). The billing procedure for NGF will comply with City of Burbank regulations and assumes billing for services as completed on a monthly basis.

The total not-to-exceed cost for this proposed engagement is \$26,000, including direct project expenses associated with initial field visit to Burbank.

ACCEPTANCE

Acceptance of this proposal may be indicated by signing one copy and returning it to NGF Consulting's Jupiter office. A City of Burbank purchase order or contract may be used as the engagement agreement.

Jan, thank you for the opportunity to submit this proposal. Our goal is to serve our clients and the industry, and to contribute to the success of municipal golf courses. Please call me directly if you have any questions or if we need to refine the scope of services to better reflect the City's due diligence needs with respect to the DeBell Golf Course.

Sincerely,



Ed Getherall
Senior Project Director
egetherall@ngf.org
(561) 354-1650

Acceptance _____ Date _____

NGF QUALIFICATIONS

The NGF's work is supported by a base of approximately 4,000 members representing every facet of the industry: public and private golf facilities; golf course architects; developers and builders; companies offering specialized services to the golf industry; national, regional, state, and local golf associations; instructors; schools, and individuals.

The NGF's board of directors includes senior executives from the leading companies in each major segment in the golf industry including officers from Callaway Golf Company, FootJoy, TORO, Textron Financial, Eaton Golf Pride, Billy Casper Golf, Edwin Watts Golf, World Golf, Adams Golf, Myrtle Beach Golf Holiday, and GOLF Magazine.

The NGF's database of U.S. golf facilities is the industry's gold standard and is licensed by the USGA, PGA of America, Club Managers Association of America and the Golf Course Superintendents Association of America as well as private enterprise such as Weather.com and NAVTEQ.

There is no greater authority than the NGF on the economics of supply and demand in the business of golf. The NGF's exclusive Golf Demand Model provides best-in-class data on every U.S. market and is utilized by many clients to improve both forecasting and customer targeting.

The NGF's annual surveys are designed to ascertain golfing habits and trends of golfers, golf facilities and golf manufacturers nationwide. From this research, the NGF publishes upwards of 60 research documents that provide dependable information on the number, nature, and habits of golfers in each state, as well as golf facility operational issues, golf travel issues, alternative golf facility operations, and an annual directory of golf facilities.

Our most important research is published and distributed to NGF members and non-members and is widely quoted in local, national, and international press and are used by numerous other golf-oriented consulting and information firms. NGF publications include: *Golf Facilities in the U.S.*, 2011 edition; *The Future of Public Golf in America*, 2010; *Golf Participation in the U.S.*, 2009; *Golf Industry Overview 2009*; *Golf Industry Report* newsletter published periodically; *Golfer Technology Profile*, 2009; *Golf Consumer Buying Profiles*, 2009; *Golf Travel in the U.S.*, 2009; *The Future of Private Golf Clubs in America*, 2008; *National Rounds Report 2008*; *A Strategic Perspective on the Future of Golf*, 2007; *Operating & Financial Performance Profiles of 18-hole Golf Facilities in the U.S.*, 2006.

Since the National Golf Foundation is not involved in the design, construction, or operation of golf facilities, our staff will not hesitate to advise clients against proceeding with a golf project or to identify operational deficiencies that affect the performance of an existing facility.

Since 1987, NGF Consulting has conducted more than 900 assignments throughout the United States, plus Europe, Asia, the Caribbean, and South America, covering a broad spectrum of services. This experience is the cornerstone of NGF Consulting, from which all our clients benefit.

All consulting work is conducted under the direction of **Richard B. Singer**, Director of Consulting Services at the National Golf Foundation. Other staff members work as part of the study team in providing professional insight, gathering additional data, applying participation models, conducting financial analyses, and reviewing the written report. Resumes of key professional staff appear on the following pages.

Richard B. Singer, Director of Consulting Services

Richard B. Singer has been the Director of Consulting Services for the National Golf Foundation (NGF) since 1997, and now has a total of 21 years of golf facility consulting experience. Mr. Singer first joined the NGF consulting staff in 1989 as a project analyst after completing his Finance MBA at the University of Florida. Mr. Singer has successfully managed the NGF's well-known golf consulting practice with an industry-respected track record of success and a reputation for delivering projects on time and on budget.

Experience

Mr. Singer's background includes hands-on experience in the following functional areas:

- | | | |
|-------------------------------------|----------------------------|--------------------------|
| -Golf Facility Feasibility Analysis | -Financial Analysis | -Golf Business Valuation |
| -Golf Operations Consulting | -Business Plan Preparation | -Golf Market Analysis |
| -Account Management | -Budgeting/Planning | - Staffing/HR |
| -Real Estate Master Planning | -Public Presentations | - Proposal Writing |
| -Expert Witness | -Due Diligence | -Credit Evaluation |

National Golf Foundation Consulting Experience – During his tenure with NGF Consulting, Mr. Singer has been responsible for preparing over 300 research studies for specific projects including: public and private sector feasibility studies for golf facility development and expansion; public and private sector golf facility operational reviews; due diligence studies for golf facility acquisition and/or refinancing; public sector Request For Proposal preparation; private club membership development plans; and public and private golf facility marketing plans. In his 19 years as a golf consultant, Mr. Singer has visited and/or profiled more than 2,500 public and private golf facility operations in the United States and internationally. Mr. Singer also has extensive experience as an expert witness in matters related to golf facility operation, and he has demonstrated considerable poise while under public attack in defense of highly controversial local projects.

Golf Facility Operations Consulting – Mr. Singer's golf facility operations consulting assignments have included golf course inspections, operational/accounting audits, management/operations contract preparation, clubhouse design/needs assessments, public sector outsource assistance, golf marketing strategies, green fee/member pricing, and business plan preparation. Mr. Singer has also provided litigation assistance to golf facilities in the form of expert testimony in estimating economic damages to golf courses from various external influences.

Golf Facility Development/Acquisition Consulting – In his 21 years with NGF Consulting, Richard Singer has become one of the most experienced golf facility development and acquisition consultants available today. His extensive experience includes feasibility studies, acquisition due diligence, appraisal and brokerage support, golf master plan development, and golf facility business plan preparation. Through the last two decades, Mr. Singer has completed several consulting engagements involving the conversion of "sensitive" sites into golf facilities (i.e. landfills).

Alternative Golf Facility Consulting – Mr. Singer's consulting services for alternative golf facilities have included both new development and operational reviews for driving ranges, putting courses, miniature golf courses, golf learning centers, executive/par-3 courses, and various combinations with other facilities. He co-authored the NGF publication *How to Plan, Build and Operate a Successful Golf Range*.

Regional Market and Economic Impact Analyses – During his tenure with NGF Consulting Mr. Singer has completed several statewide or regional golf market and economic impact

studies. These studies typically involve preparing estimates of golf supply and demand in large geographies, as well as estimating the hard dollar impact of golf facilities on a local economy.

Key Accounts Managed (2004-2009)

Representative public sector clients in 2004-2009 include: City of San Diego, CA (Operations review – 3 courses); Nassau County, NY (5-course operations review); City of Victorville, CA (2-course operations review); City of Palm Springs, CA (2-course operations review); City of Alameda, CA (golf facility operations review and master plan preparation); State of Georgia (7-course outsource assistance); City of Portland, OR (5-course operations review); City of Phoenix, AZ (6-course operations review); City of Winter Springs, FL (GC acquisition); City of Gresham, OR (GC acquisition); City of Houston, TX (8-course operations review); City of Plano, TX (2) (GC Acquisition and GC operations review); the City of Dunedin, FL (golf facility review of operations and lease preparation); the City of San Francisco, CA (5-course operations review). These public sector projects include extensive participation in public meetings and a full defense of all project work.

Representative private sector clients in 2004-2009 include: Pulte Homes; The Trump Organization; Arnold Palmer Golf Management; Greg Norman Golf Course Design Company; PGA Tour; Waterlefe CDD; Western Golf Properties; Heritage Isles CDD; Howard Hughes Corporation; Verdict Ridge CC; Olympia Group, Inc.; Meridian Venture Partners; General Motors Corp.; Watermark Communities Inc.; Oaktree Capital Management; Evergreen Investments; Mohegan Sun Casino, Inc.; Palmer Investments; Marriott Golf Management; Walt Disney Imagineering; Coral Creek Partners; Bonita Bay Properties; Fortune Bay Casino; Poxabogue in the Hamptons GC; Fuzzy Zoeller Productions; US Naval Academy Golf Club; and Mahogany Run GC (St. Thomas, USVI).

Representative alternative facility clients in 2000-2009 include: Greens of Las Vegas, Inc. (new facility feasibility); Golden Bear International (new facility feasibility); Palm Beach County, Florida; County of Ft. Lauderdale, FL (new facility on landfill feasibility); City of Plantation, FL (litigation support); Gambrell & Stoltz (Macon, GA – expert testimony) Development Consulting Co. (three ranges in CA & FL); Brevard Golf Driving Range (Melbourne, FL); and Collier Golf Enterprises (Orlando, FL).

Representative regional market and economic impact clients in 1999-2009 include: the State of West Virginia (Statewide ‘Golf Trail’ study); State of Oklahoma (Statewide Economic Impact Study); Bonita Bay Properties; *Golf 20/20* – Raleigh-Durham MSA Study; Reliance National Insurance Company; GATX Capital Golf Group; C. Cabot Incorporated; Gunster, Yoakley, Valdes-Fauli & Stewart, P.A.; Public Finance Consultants Inc.; and Morgan Stanley – Dean Witter.

International Experience

Mr. Singer's professional resume includes golf facility consulting on projects located in the countries of Sweden, Korea, Egypt, Anguilla (BWI), US Virgin Islands, St. Marten, Brazil, Bahamas, and Chile.

Background/Education

Mr. Singer is a long-time resident of Palm Beach County, Florida and grew up around the North Palm Beach Country Club. He earned his Bachelor's degree in marketing and Insurance from the University of Florida in 1985, and worked as a financial consultant for Northwestern Mutual Life and Baird Securities before earning an MBA in Finance from the University of Florida in 1989. Mr. Singer is a Licensed Real Estate Broker in Florida (Lic. #BK3077126).

Edward Getherall, Senior Project Director – NGF Consulting

Ed Getherall joined the NGF Consulting staff as Project Analyst in 2000 after several years of subcontracting consulting services to the NGF. Mr. Getherall, who was promoted to Senior Project Director in 2001, has been instrumental in cementing NGFC's status as the leader in municipal golf facility consulting, with a particular focus on improving municipal golf course bottom lines and helping municipalities make smooth transitions to alternative operating structures for their golf systems.

Mr. Getherall has also directed NGF's effort to be the leading industry resource for accurate golf market information pertaining to facility activity levels, revenue center performance, and green fee levels and trends. Since joining NGF Consulting, Mr. Getherall has become a respected industry authority on food & beverage operations, clubhouse renovation / replacement, municipal golf management alternatives, outsourcing assistance (RFP preparation / analysis of responses / contract negotiations), and other areas of expertise.

NGF Consulting Projects Experience

Mr. Getherall's extensive business and marketing background has enhanced NGF Consulting's ability to provide expertise to the facility segment of the golf industry. Since joining NGF Consulting, Mr. Getherall has been responsible for analyzing golf market and golf facility operating data in NGF's market, financial, and operations consulting projects. In the 11 years since joining NGF's Consulting division, Ed has been the lead project director for more than 80 consulting assignments, covering a broad range of services, including public and private golf course feasibility studies, acquisition studies, operations reviews, golf-related real estate absorption analyses, pricing / market positioning analyses, and clubhouse renovation / replacement studies.

Public Sector Clients (partial list)

City of Houston, TX	City of Palm Springs, CA	Mecklenburg County, NC
City of Melbourne, FL	Bergen County, NJ	City of Greeley, CO
City of Alameda, CA	Town of Wallingford, CT	City of Concord, NC
City of Auburn, NE	City of Yonkers, NY	City of White Plains, NY
City of Yuma, AZ	City of Farmington, NM	Woodbridge Township, NJ
City of Gainesville, FL	City of Gallup, NM	Village of Royal Palm Beach, FL
Township of River Vale, NJ	Town of Davie, FL	City of Rockville, MD
City of Clayton, OH	City of Redmond, OR	Town of Brookline, MA
City of Antioch, CA	City of West Palm Beach, Florida	Village of Wellington, FL
Miami-Dade County, FL	City of Henderson, Nevada	Palm Beach County, FL
City of Concord, CA	City of Gilbert, AZ	City of Reno, NV
City of Lake Havasu, AZ	City of Tempe, AZ	City of Oakland Park, FL
City of San Antonio, TX	Town of Farmington, CT	City of Naples, FL
Kealakehe Ahupua'a 2020, HI	City of Palm Coast, FL	City of Tarpon Springs, FL
City of Victorville, CA	City of Apple Valley, MN	City of Kentwood, MI
City of San Diego, CA	Borough of Dunmore, PA	City of Soldotna, AK
Municipality of Anchorage, AK	City of Gresham, OR	City of Portland, OR
City of Oviedo, FL	City of San Francisco, CA	City of New York, NY
City of Livermore, CA	El Dorado Hills, CA (CSD)	Ft. Belvoir GC (U.S. Army), VA

Private Sector Clients

Textron Financial Corporation	Meadowbrook Golf	Pulte Homes
Dalhousie Golf Club	Hoffman Properties, Ltd.	Oaktree Capital Management
Front Royal C.C.	Bonita Bay Properties	Conley-Manning, LLC
Scituate Highlands, LLC	Watermark Communities, Inc.	Prestwick Plantation, LLC
Black Clover Golf, UT	Callaway & Price	Loving & Campos Architects
The Mohegan Sun Tribe	Poxabogue Golf Course	Lely Development Corporation
Partyka Resource Management	Triangle Equities	River Bluff Resort, LLC
Palmer Investments, Inc.	Golf Trust, Inc.	Dominion Realty Advisors
Beazer East, Inc.	Jonathan's Landing POA	Pocoy Consulting
Stauffer Management Co.	Mizner Trail Golf Club	Keyser Marston Associates
Belfonti Capital Partners	Fuzzy Zoeller Productions.	University of the South
Putting Zone, Inc.	Sun City Center	Golf Around the World

Background/Education

Prior to joining the NGF, Mr. Getherall held several positions in the business community including extensive marketing work for such organizations as South Florida Blood Banks, Inc., the Florida Lottery, and the American Cancer Society. His areas of expertise cover a broad spectrum of marketing activity, including research, product management, and special event planning and consulting.

Mr. Getherall earned his M.B.A. from the University of Florida with a concentration in finance. Ed also achieved his undergraduate degree at Florida with a B.S. in Business Administration (Marketing). With a diversified educational and professional background in both marketing and finance, Mr. Getherall has the experience and knowledge to assist in all aspects of golf facility management, marketing, operations, and development.

Ben Fowler, Golf Facility Research and Consulting Sales Manager

Ben Fowler joined the NGF Consulting staff in May of 2006. Since joining NGF, Mr. Fowler has provided his expertise in the design, implementation, interpretation, and data analysis of NGF Consulting's Golfer Survey Program.

NGF Consulting Projects Experience

Mr. Fowler's extensive experience as a PGA member, as well as his business and marketing background, allows NGF Consulting to provide valuable knowledge to its clients at the golf facility level. Mr. Fowler is equally adept at walking his clients through the implementation of the Golfer Survey Program, and analyzing and interpreting survey data after results start coming in. Ben's analysis of survey results helps golf facility operators identify strengths and deficiencies and formulate an action plan designed to improve performance. Since July 2006, when the Golfer Survey Program was introduced to the market, Ben has overseen the program at more than 285 facilities.

Mr. Fowler's recent clients include:

Public Sector Clients

- United States Air Force Services
- City of Phoenix
- City of Sarasota
- City of Oroville
- Dupage County Forest Preserve District
- Florida State University
- City of Bloomington
- City of Longmont Golf Services
- City of San Mateo

- Oklahoma Tourism & Recreation Department
- City of Marietta
- City of Fort Morgan
- City of Glendale
- City of Grand Island
- City of Alameda
- City of Chattanooga
- City of Modesto
- City of New Braunfels
- Champaign County Forest Preserve District
- City of Indio
- City of San Francisco
- Georgia Department of Natural Resources Golf Operations
- Montgomery County Revenue Authority
- City of Mountain View
- City of Plano
- Decatur Park District
- Illinois State University
- Incline Village Parks & Recreation
- Anoka County Parks and Recreation
- City of Tumwater
- City of Walnut Creek
- County of San Luis Obispo
- Peoria Park District
- Poplar Creek Country Club
- Gull Lake View Golf Resort
- St. Paul Parks and Recreation
- Huron-Clinton Metropolitan Authority

Private Sector Clients

- Marriott Golf
- KemperSports Management
- Cypresswood Golf Club
- Pasatiempo Golf Club
- Pulte Homes
- Rivertowne Country Club
- Sycamore Ridge Golf Club
- The Ridge Golf Course
- Town of Clarksville Parks & Recreation
- Meadowbrook Golf
- St. Joe Towns and Resorts
- Oki Golf
- Ridgemark Golf & Country Club
- Stevinson Ranch Golf Club
- Marty Sanchez Links De Santa Fe
- Touchstone Golf LLC
- Honours Golf Company LLC
- CourseCo Inc.
- Sterling Hills Golf Club
- Golf Center at Kings Island
- Heritage Golf Group LLC
- Premier Golf Centers LLC
- Burroughs & Chapin Company
- EAGLE Golf Management
- Carl M. Freeman Golf LLC
- Lindsey Management
- OB Sports Golf Management LLC
- Oglebay Resort

Background/Education

Prior to joining the NGF, Mr. Fowler held several positions as a PGA Assistant Golf Professional at prominent golf facilities, including Country Club of Rochester, Old Marsh Golf Club, and Medalist Golf Club. He also gained valuable business, marketing, and customer service experience from his position as Assistant Branch Manager at Enterprise Rent A Car.

Mr. Fowler earned his PGA Membership in January 2003 and is currently a PGA class A-11 member. He achieved his undergraduate degree at New Mexico State University, with a B.S. in Business Administration (Marketing) in 2000. Ben also graduated from New Mexico State's Professional Golf Management Program (PGM). Mr. Fowler has the experience and knowledge to help golf facilities improve their performance through NGF's Golfer Survey Program.

COMPARABLE PROJECT REFERENCES

Below are synopses of just a few of the hundreds of municipal operations reviews that NGF Consulting has performed over the years. In the final version of this proposal, we will be happy to add references for past state of California municipal clients such as San Diego, San Francisco, Palm Springs, Victorville, Livermore, Alameda and Antioch

ROBERT T. LYNCH Golf Course Brookline, MA **Operations Review/Business Plan**

In 2009 and 2010, NGF Consulting was retained by the Town of Brookline to perform a comprehensive review of the Town's municipal golf facility and to create a business plan for the facility. This included a complete review of both the physical plant and operational systems at the Town-owned golf course and clubhouse facility. NGF services to the Town included extensive interviews with key stakeholder groups.

The NGF Consulting recommendations for Robert T. Lynch included a review of basic operations; golf course condition; food and beverage; physical plant (clubhouse, maintenance and golf cart storage); business / marketing plan; and fees and memberships. These were formally presented to the Town in April 2010. The key NGF recommendation involved a considerable upgrade to the facility's drainage system, which is outdated and causing severe limitations in rounds activity and revenues. The NGF identified the F & B concession as being one of the better deals for municipalities in the Boston area and should be continued. In 2010, the NGF anticipates the Town will be implementing many of the recommendations with improvement expected for operations in 2010 and beyond.

Client: Lisa Paradis, Director of Parks & Recreation
Town of Brookline
133 Eliot St; Chestnut Hill, MA 02467-1433
(617) 730-2069; Email: Lisa.Paradis@town.brookline.ma.us 129024

STATE OF GEORGIA - STATE PARKS GOLF COURSE SYSTEM State Parks, GA Master **Business Plan for Seven Golf Facilities**

In 2009, the State of Georgia retained NGF Consulting to assist in evaluating the State's seven-facility golf course system, and to help the State consider alternatives for the future operation of the economically-challenged system. The State had been experiencing declining rounds and revenue in the golf system, leading to growing deficits. Specifically, the NGF Consulting role was to evaluate each of the seven facilities and provide the State with a realistic estimate of future performance under a self-operation and outsource (lease) arrangement, in light of ongoing debt expense and State subsidies.

In August 2009, the State of Georgia issued a formal request for proposal (RFP) from qualified firms to lease the entire seven-facility State Park golf system. NGF Consulting assisted with this effort by helping the State identify qualified bidders and serving as counsel for identifying the most qualified vendors. In early 2010, the State reported that none of the firms that bid for the lease fit the needs of the golf system and thus self-operation by the State was identified as the best option for the system going forward. In 2010, the NGF was retained again to help create individual business and financial plans for each of the seven State facilities, along with a separate plan for the full system. **The NGF presented several creative ideas designed to grow revenues and reduce expenses, including the creation of a new "Georgia State Trail of Golf," the addition of a new full-time golf marketing director and the creation of multi-facility management positions in lieu of separate individual facility managers.** The State has begun implementation of NGF recommendations in January 2011.

Client: Paul Nelson
Assistant Director, **Georgia State Parks & Historic Sites**
2 Martin Luther King Jr Dr SE Ste 1552 E Tower
Atlanta, GA 30334-9000
(404) 656-2770
Email: PaulN@gadnr.org

PRELIMINARY FACILITY AND MARKET REVIEW Omaha, NE ***Preliminary Facility & Market Reviews+RFP Assistance (7 Facilities)***

In 2009, the City of Omaha retained NGF Consulting to perform due diligence relative to the future operational structure of the City's seven self-operated golf facilities. NGF was specifically charged with providing a review of each of the seven City golf courses to help identify key issues related to their possible outsourcing, and to establish a foundation for a full operations review and business plan in the event that the City decides that outsourcing the operation of the properties is not feasible or desirable.

NGF Consulting analyzed the options being considered for the future continued operations of the seven facilities: (1) Continued Self-Operation; (2) Management Contract; (3) Outsource Agreement to Private Operator. NGF presented the positive and negative aspects associated with each option for the City, ultimately recommending that the City strongly consider continued self-operation. Still, NGF recommended issuing an RFP for an outsource agreement so that it would have full knowledge of its operating alternatives going forward. Finally, NGF identified several operational policies, as well as pricing and marketing strategies, that should result in improved financial performance under continued self-operation if implemented by the City of Omaha.

In March 2010, the City decided to follow NGF's chief recommendation and continue self-operation of its golf courses, and is implementing NGF's management, operations, and marketing recommendations. As of the end of the first quarter 2011, operational net losses have been reduced by \$250,000 YTD.

Client: Paul Kratz
City Attorney
1819 Farnam St Ste 701
Omaha, NE 68183
(402) 444-5118
E-mail: paul.kratz@ci.omaha.ne.us 129018

JUNIPER GOLF COURSE Redmond, OR ***Operations Review***

NGF Consulting was retained by the City of Redmond in 2009-2010 to perform a comprehensive review of the Juniper Golf Course. The City needed an independent expert to review the City's municipal golf operation and make recommendations for its future management and operation in light of the inability of the current management team to meet debt obligations related to the golf facility's construction. NGF review included an assessment of the physical golf course and support amenities, the club's market positioning, marketing strategies, management structure, staffing, operational practices, and contractual agreements.

Our review also revealed some deficiencies from management, marketing, and overall operational perspectives that present opportunities for improvement. Based on our analysis and findings, NGF Consulting recommended a repositioning of Juniper GC as a premier municipal "destination" golf course, while also emphasizing a stronger value proposition, especially for local Redmond/Central Oregon residents. The second key major recommendation was for the City of Redmond to restructure the operating arrangement at Juniper to either a lease or incentive-based management contract, so that the club operator would have a profit motive and institute best business practices at the facility. ***The City followed this recommendation, initiated an RFP process, and ultimately hired CourseCo in early 2011 under the incentive-based management structure recommended by NGF Consulting.***

Client: David Brandt, City Manager
City of Redmond
716 SW Evergreen Ave; Redmond, OR 97756-0100
(541) 923-7711
Email: David.Brandt@ci.redmond.or.us 129027

EXHIBIT 2

ATTACH D

Table of Contents *

Transmittal Letter	D-5
Executive Summary	D-6
Operations and Business Plan	D-11
Golf Operations	D-11
Food and Beverage Operations	D-18
Unique Knowledge, Skills and Experience	D-20
Personnel Management	D-27
Agronomic Overview	D-29
BCG Environmental Practices	D-31
BCG Cultural Practices	D-33
Sample Marketing Plan – RedGate	D-36
Operating Experience/Project Team(s) Qualifications	D-45
BCG Overview	D-45
Our Principals	D-46
Senior Management	D-47
Corporate Support – RedGate Team	D-51
Company Overview	D-52
BCG Facilities	D-53
Select BCG Municipal Golf Courses Outside Mid-Atlantic Region	D-54
Comparable Examples	D-55
Financial Capability	D-59
Financial Reporting and Accountability	D-60
Controls and Procedures – Cost Controls	D-60
Accounting	D-61
Cash Controls	D-62
Sample Financial and Operational Report	D-63
Fee Offer – Base and Percentage of Revenue (Lease Option)	D-67
Management Fee – Base and Incentive (Management Option)	D-72
Annual Operating Budget – Expense/Revenue (Management Option)	D-77
Capital Improvement Plans	D-94
References	D-96
Other Miscellaneous Required Elements	D-98
Attachment A – Affidavit	D-99
Attachment B – Execution of Offer Form	D-100
Attachment C – Respondents Questionnaire	D-103

*= Staff produced this additional Table of Contents to add detail as well as page numbers and make it easier for the reader to navigate through the document.



**BILLY CASPER
G O L F**

**Response to
City of Rockville, MD
For
Management / Lease
Of
RedGate Municipal Golf Course**

RFP # 43-11

June, 2011

Billy Casper Golf
8300 Boone Boulevard, Suite 350
Vienna, Virginia 22182
Telephone: 703.761.1444
Fax: 703.893.3504
www.billycaspergolf.com

Contact: Mike Cutler
703.761.1444
mcutler@billycaspergolf.com

TABLE OF CONTENTS

A. TRANSMITTAL LETTER

EXECUTIVE SUMMARY

B. OPERATIONS AND BUSINESS PLAN

GOLF OPERATIONS PLAN

STAFFING PLAN

AGRONOMIC OVERVIEW

MARKETING PLAN

C. OPERATING EXPERIENCE / PROJECT TEAM(S) QUALIFICATIONS

PRINCIPALS / SENIOR MANAGEMENT / CORPORATE SUPPORT

BCG OVERVIEW

BCG FACILITIES

COMPARABLE EXAMPLES

D. FINANCIAL CAPABILITY

E. FINANCIAL REPORTING AND ACCOUNTABILITY

F. FEE OFFER – BASE AND PERCENTAGE OF REVENUE

G. MANAGEMENT FEE – BASE AND INCENTIVE

H. ANNUAL OPERATING BUDGET – EXPENSE/REVENUE (MANAGEMENT OPTION)

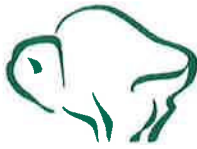
I. CAPITAL IMPROVEMENT PLANS

J. REFERENCES

K. OTHER MISCELLANEOUS REQUIRED ELEMENTS

ATTACHMENTS A - D

A. TRANSMITTAL LETTER



**BILLY CASPER
G O L F**

June 29, 2011

Eileen Morris, Purchasing Manager
Purchasing Office, Rockville City Hall
111 Maryland Avenue
Rockville, Maryland 20850

RE: Request for Proposal # 43-1, Management or Lease of RedGate Municipal Golf Course

Billy Casper Golf ("BCG") is pleased to submit this Proposal for the Management, Operation and Maintenance of the RedGate Golf Course ("RedGate").

Thank you for the opportunity to submit the enclosed information in response to the above-referenced Request for Proposals. Billy Casper Golf, LLC ("BCG") possesses the necessary experience, skills, and financial resources to operate the RedGate Golf Course ("RedGate") successfully. Our management experience, marketing capabilities, and demonstrated success in competitive golf markets, combined with our current relationships servicing more than 70 existing municipal golf course clients, uniquely qualifies BCG to provide management and operations services for the City of Rockville.

Having reviewed all Insurance and Performance Bond requirements (Attachments E & F), BCG assures the City that we will be able to meet all requirements as stated in the RFP, if requested by the City.

We also acknowledge receipt of Addendums 1 and 2 as well as all attachments.

The opportunity to assume the management of RedGate is an exciting challenge. Our ability to provide our knowledge and expertise will surely benefit the City, RedGate and BCG as well. Should BCG enter into an agreement with the City, we agree to begin the execution of said agreement within ten calendar days after notification of award.

We look forward to the opportunity to meet with you to discuss our proposal in greater length.

Sincerely,



Peter M. Hill
CEO & Chairman

EXECUTIVE SUMMARY

The City of Rockville (“City”) and RedGate Golf Course (“RedGate”) are facing a predicament similar to that experienced by numerous other golf courses across the country prior to Billy Casper Golf’s (“BCG”) involvement; stagnant revenues, mounting expenses and increased pressure from competition. BCG’s strategic business plan provides immediate financial improvement.

The **execution of innovative marketing and effective operating strategies** will increase the revenues and rounds of the facility. RedGate deserves more than a caretaker. Considering the current competitive marketplace, the course requires an operator with the proven ability to a) retain the existing guest base b) while attracting new guests. The retention and acquisition of guests is accomplished through aggressive marketing plans, excellent course conditions, clear communication, accountability, and consistently providing superior levels of guest service.

The traditional measure of golf rounds will continue to be a primary barometer of success, but predicted declining rounds played throughout the United States mandates a new, aggressive approach to acquire and retain regular guests of RedGate. This will require the new operator to focus on reacquiring past golfers or stealing market share from existing competitors – **BCG does not operate, nor are we affiliated with an existing competitive golf course in the immediate marketplace.**

We are experts at managing and promoting municipal golf facilities such as RedGate. Our firm is particularly successful at operating municipal daily fee golf courses as well, achieving consistent year-over-year revenue growth in stagnant and declining markets. We grow rounds through **aggressive marketing**, clear communication, high accountability, and consistency in providing superior levels of guest service.

BENEFITS PROVIDED BY BCG

Experienced Local Operator

BCG has grown to become one of the largest and most successful golf management companies – and has accomplished this via organic growth, without the assistance of external institutional ownership or financial influence. We are privately held and controlled by the **company’s founders** who are **actively involved** in the oversight and relationships, attendant to each facility, **reviewing the financial performance** and business strategies on a weekly basis.

Comparable Experience

BCG has successfully operated multi course municipal portfolios as well as single municipal golf courses in suburban settings similar to RedGate including: **Orchard Valley GC** for the Fox Valley Park District in Aurora, IL, **Lederach GC** for Lower Salford Township in Harleysville, PA, **Hudson Hills GC** for Westchester County, NY and **Falmouth CC** for the Town of Falmouth, MA. We are experts at operating daily fee golf facilities with proven results: better course conditions, enhanced levels of service and improved financial performance regardless of the market position of the course.

Advanced Technology

BCG is at the forefront of the golf industry with respect to the implementation of “State of the Art” technology. The firm has established a strategic business partnership with EZ Links to develop a customized point of sale system and electronic tee sheet as well as a 24/7 tee time reservation system. These systems provide easy access and convenience for the guest as well as a source of data collection for management.

Environmental Sensitivity

BCG acknowledges the responsibility associated with operating and maintaining municipally owned golf courses. BCG is a staunch supporter of The Audubon Cooperative Sanctuary Program. Each BCG managed facility is registered with the program and has achieved or is working towards achieving certification through the National Audubon Society. All BCG facilities implement Integrated Pest Management (“IPM”) techniques as well as a water quality management program.

Municipal Experience

Operating from our corporate office in Vienna, VA, BCG has been successfully operating golf course facilities for 22 years, with a distinct reputation for providing superior quality in all facets of golf course operations. We currently operate over 75 municipal golf facilities throughout the US.

Owner’s Mentality

As owners ourselves, BCG consistently improves the physical elements, service levels, and financial performance of our golf courses regardless of their market position. BCG corporate initiatives include **ACE™ the Guest Experience, our proprietary employee training program, independent mystery shopping, guest surveys, risk assessments, and direct regional oversight of each property.** The direct oversight by our professional team ensures that **each department is “right-sized” on expenses, integrity and market position is uncompromised, and profitability is maximized.**

Targeted Marketing

We optimize marketing programs using a guest-segmentation approach that targets discrete groups of golfers based on their **specific guest behavior.** The ‘base’ marketing program at RedGate will include a four part strategy; the **acquisition of new guests, retention of existing guests, loyalty programs** to increase our **‘share of wallet,’** and a **healthy dose of publicity** to brand and reinforce the value of the experience of RedGate.

BCG is ideally suited to operate RedGate. We are local, we know the market, we are the industry leader in municipal golf, and we tailor our plans to meet the needs of our client, develop marketing concepts and operational strategies that maintain market position, and improve the bottom-line of the facility. BCG’s success is predicated on the success of each course in our portfolio and is reflected by our customized approach at each facility, i.e. “one size does not fit all.”

OVERVIEW

Following are our initial plans on how we intend to achieve the City’s goals of maintaining RedGate at a very high level, providing an exceptional golfing experience and optimizing the financial performance of the facility.

BCG will position and operate the course as an integral part of the community, offering affordable, high quality golf to residents, providing a competitively priced, superior golfing experience. Balancing the playing needs and spending capabilities of the various guest segments is vital to a successful operation, a task that BCG is currently completing at all of our facilities.

Currently, RedGate is positioned at the middle of the municipal golf market. The course has experienced price erosion as a result of the competition in the market, as well as recent economic factors. This market is similar to many golf markets throughout the U.S. The top of the marketplace is saturated with many high-priced courses, chasing too small of an upscale daily fee golf market. The bottom of the marketplace lacks the quality of conditions and service levels to compete on any level

other than price. The middle of the marketplace receives pressure from both the top and the bottom, and must remain vigilant to price predation from both sides.

RedGate's success in such a marketplace will rely on four factors: (1) high quality operations (2) the re-establishment of the RedGate brand, symbolic with user-friendliness (3) capital investment to upgrade amenities (4) more aggressive, creative marketing strategies to optimize financial performance with destination and local golfers alike - both of which are detailed in this response. We look forward to discussing these ideas with you in more detail as well as beginning our Annual Planning Process in order to expand fully on our initial plans.

GROWTH OPPORTUNITIES

Future financial growth for RedGate is predicated on the selected golf operator's ability to maintain the Average Dollars per Round ("APR") while experiencing the current industry wide decline of rounds. The local market is extremely price sensitive and golfers are provided with a wide selection of golfing alternatives.

Properly targeting and encouraging the resident golfers to play RedGate serves a dual purpose; (1) provides opportunities to fill non-peak and under-utilized tee times and (2) offer discounts to residents without deteriorating the value of prime weekend starting times. The location at RedGate provides an ideal setting for both tournaments and corporate leagues. The local relationships create a "top-of-mind" awareness and "weave" RedGate back into the local golfing fabric which is critical to optimizing performance.

BCG expects to accomplish the increase in revenue and EBITDA at RedGate through a combination of the following factors: (1) position the golf course as the market leader for high quality, user-friendly, affordable golf by offering improved playing conditions and good value for the dollar (2) increase the number of annual passes, (3) increase daily fee play during the off peak time slots, (4) emphasize and increase advanced booking outing/tournament rounds of golf with a focused outreach program to existing outing prospects, (5) improvements in tee sheet yield-management practices, (6) applying BCG's 24/7 tee time reservation system and internet booking systems, (7) executing improved operations and agronomic expense management practices, (8) increasing the capacity of the driving range, (9) regional and local professional marketing, (10) improved staff training and motivation, and (11) implementation of standardized operating policies and procedures. These are several of the proven management practices that BCG has successfully implemented in the operation of other golf courses the firm manages.

Focal Points at RedGate

Marketing

BCG is the Industry Leader with respect to our pro-active approach to marketing each of our managed facilities. By collecting and tracking each golfer's individual playing history BCG is able to **successfully increase rounds and revenue** through communications tailored to each guest based on his/her playing habits and interests. Specific marketing tactics to implement retention and acquisition programs are outlined in the operational marketing plan within this proposal. BCG will be squarely focused on retaining the existing guest base and acquiring new golfers from the competition as well as growing new golfers from the local population, described below:

- **Our Advanced Technology:** BCG is at the forefront of the Golf Industry with respect to the implementation of "State of the art" technology. The firm has established a strategic business

partnership with EZ Links to develop a customized point of sale system and electronic tee sheet as well as a 24/7 tee time reservation system. These systems provide easy access and convenience for the guest as well as a source of data collection for management.

- **Guest Acquisition:** Initially, a strong message about the change in management will be critical in driving rounds of golf towards RedGate. Further, BCG will develop and implement a targeted advertising campaign and aggressive marketing plan to attract the attention and interests of the local community and to penetrate the immediate market with value oriented messaging during non-peak times to the City residents.
- **Guest Retention:** BCG will utilize proven database management systems to track guest reservations, playing, and spending history; develop programs and offers that best meet the expressed needs of those guests; and utilize direct marketing techniques to communicate individually with them.
- **Player Development Programs:** BCG aggressively promotes the game of golf to new golfers through player development programs, specifically targeting Women and Juniors. We actively support programs such as The Executive Women's Golf League and The First Tee Program.
- **Guest Loyalty:** BCG will attain loyal guests through the delivery of a golf or dining experience that is fun, enjoyable, and fulfills their expressed needs. The marketing focus is on the growth of the Guest Share of Wallet, programs specifically designed to increase the number of rounds played and the amount of spend during each guest visit.
- **Media Relations:** The reputation of RedGate has been tarnished during the past few years. The course which was once considered one of the premier daily fee courses in Maryland has lost the competitive battle with the Montgomery County Revenue Authority managed courses in recent years. BCG will **publicize and manage media relations for RedGate** utilizing the skills and resources of Buffalo, who will develop and implement, in concert with the Marketing Plan, a **local and regional publicity campaign** designed to re-establish RedGate in its rightful place among the better daily fee courses in the market.

Course Conditions

The current course conditions and poor attention to detail are primary culprits explaining why the City is losing the price/value proposition and revenues are declining. Areas that BCG would address (at minimal cost) to restore the "dignity" of RedGate include mowing pattern and presentation. The course conditions necessary to be competitive in the Montgomery County golf market are as follows:

- Eye catching presentation with a beautifully landscaped clubhouse area
- Well-defined fairways with consistent turf providing maximum playability
- An overall clean and crisp course appearance creating a positive impression
- Greens in overall good condition, with mowing height providing good putting surface
- Manicured bunkers which are raked and edged
- Golf course structures clean in appearance and well-maintained
- Amenities such as tee signs, and benches, etc, well-manicured and appointed with landscaping
- Tees with sufficient acreage, and turf coverage
- Well-maintained roughs with good turf coverage, relatively weed free, and mown
- Green surrounds aesthetically pleasing with mowing patterns differentiating collars, approaches and surrounds, and utilized to highlight areas in and around green complexes
- Uniform signage and yardage markers throughout facility delivering positive messages

Golf Driving Range

BCG will be responsible for all golf driving range sales and operations, as well as developing and implementing golf instruction programs. Specifically, BCG will expand current and develop and implement new guest-demanded golf programs to serve the recreational and learning needs of area residents, including juniors, seniors, men, women, beginners, and families. Such programs will include tournaments, leagues, clinics, camps, instructional programs, outings, and range programs for these defined groups and the general public. In addition, the courses will serve as hosts, as appropriate, to high school and/or college golf team practices and matches. Such programs will be coordinated with and promoted through Rockville's other programs, local schools and colleges, community organizations and centers, and senior centers.



BCG will also work closely with local schools to expand junior golf programs for area youth. BCG will actively promote RedGate and the learning programs through local elementary, middle and high schools in cooperation with physical education and health teachers.

The Guest Experience

BCG will implement a guest centric staff focused on meeting and exceeding the guest's expectations during their 'journey' at the facility. BCG has worked successfully with staff members to motivate them through a professional guest service training program referred to as "ACE™". ACE™ training is an instructional and motivational tool implemented at all BCG managed facilities. The program teaches all staff members the importance of guest service by training them to be warm and welcoming and to anticipate the needs of each guest.

Culture

A culture shift will be the final piece in improving the profitability of RedGate. The following cultures will be instilled in order to compete in the increasing daily fee golf market; a guest oriented staff, proactive marketing, revenue generating managers, and a sense of ownership by all. This culture will immediately benefit RedGate. With strong oversight and management, we will achieve immediate results for the City of Rockville, our business partner.

Attention to Detail

BCG consistently improves the physical elements, service levels, and financial performance of our golf courses regardless of their market position by focusing on the "details." The direct oversight by our professional team **based in Northern Virginia** ensures that each departmental **expenses are "right-sized", course presentation is optimized, integrity and market position is uncompromised, and profitability is maximized.** Additional operations, marketing and accounting support are provided through the BCG Corporate Office, located in Vienna, Virginia.

Summary – Based on our experience and knowledge operating local public golf courses, BCG is confident that we will be able to dramatically improve financial results through modest increases in revenue and rounds, and allocation of funds spent on operations maximizing the 'bang for the buck' of each dollar and the 'right-sizing' of expenses. Increases in rounds and revenue are achievable by delivering enhanced course conditions, improving the consistency and overall presentation, the development of a guest-centric staff, revenue oriented managers, and a sense of ownership by all. The **increases in revenue** as shown in the **pro formas** will be driven by round counts, as opposed to increased rates.

B. OPERATIONS AND BUSINESS PLAN

GOLF OPERATIONS

BCG will **professionally manage the golf operation** at RedGate in a manner consistent with comparable first-class public facilities nationwide. BCG will schedule tee times, collect fees; provide starter, marshal, bag, and cart services. In addition to selling merchandise, renting golf equipment and maintaining pace of play; BCG will offer and promote outings, leagues, and learning programs. The golf shop shall also operate the driving range, and provide USGA handicap service. These and other golf operation services will be performed in a professional manner from daybreak to sunset, 365 days a year, to achieve the goals of the facility under the direction of the General Manager.

BCG will expertly manage the **EZLinks POS and Tee Time Reservation System** to utilize telephone, Internet, golf shop, and hotel/packager reservations; to completely capture guest data and playing activity on the tee sheet; to accurately record and track all cash and credit transaction data; to maintain an accurate perpetual inventory of merchandise; and to allow for gift card/certificate and account book management.



BCG will provide **guest assistance through starters and marshals** on the course and, when and where appropriate, bag and cart attendants at check-in and completion of the round. BCG will manage a **Pace of Play program** to maintain accurate starting times, maximize golf course utilization, and maximize enjoyment of the all golfers. The course's pace of play will be accurately measured and communicated to all golfers at the time of play. All golf shop staff, starters, marshals, mobile concession attendants, and maintenance staff will be trained on this program and work closely together on its successful implementation.

Driving Range

BCG operates the driving range with a particular emphasis on providing convenient and effective practice and learning opportunities for guests. Special programs and offers are developed in order to maximize utilization of the range and to provide the beginner or novice golfer maximum opportunity to build confidence in learning the game.

The City benefits from BCG's well-developed and professional golf operation practices and guidelines by having each guest's experience – from reservation throughout their round of golf – exceed his/her expectations. The City and BCG possess the knowledge that the golf operation is being managed and operated professionally, and that all guests are having their individual needs met satisfactorily.

League Play

BCG will actively seek and create **new golf leagues for professionals, couples, and seniors**. BCG will work closely with the Leagues' officers and members to support their programs while maintaining fair and equitable access to the tee sheet for all golfers. Numerous business and organizations that are located near RedGate will be approached to schedule both competitive and social golf leagues for their employees, associates, clients, and families.

Tournaments & Outings



BCG will develop and implement an **aggressive sales program for golf outings** and tournaments – targeting local and regional businesses, charities, associations, churches, community groups, schools, and individuals – to pre-book group business at RedGate.

An **experienced, sales-oriented individual** employed at the facility will utilize BCG’s established proven system of prospecting, sales closing, and sales fulfillment to acquire and retain events. BCG will create and implement online, telephone, printed, and in-person sales programs; sales collateral; lead tracking programs; and sales presentations for RedGate.

Fulfillment of golf tournaments and outings will **emphasize the ‘Guest Experience’** over all else, with **professional tournament services** (player pairing, customize rules and administration, personalized score cards and cart signs, player registration, contest hole signage and set-up, professional scoring, and special event management) included with all contracted group outings

Special Events

BCG will develop and implement a **full, regular schedule of special events** for golfers at RedGate, with all programs designed to create fun and enjoyment for golfers. Events will include both competitive and social formats, including such programs as Open Tournaments, Night Golf, Scrambles, 9-hole Mixers, and the like.

Specific events, formats, and timing will be determined in concert with tee sheet availability and input from golfers and staff at RedGate.

Club Play

BCG will continue to support and work with the RedGate Tournament Players Club “RTPC”, as well as working to promote and grow the Women’s Club and Men’s Club at RedGate; currently **the Course’s Most Important Guests**. As ambassadors of the course – and among its most loyal guests – these golfers expect and deserve a golf professional staff that will:

- Coordinate their varying tee time schedules
- Develop programs, events, contests, and socials
- Track scores, special achievements, and participation
- Attend their groups’ meetings
- Develop ‘sweeps’ or ‘credit’ programs that meet their needs
- Celebrate individual successes throughout the year



BCG will **work closely with the Clubs’ officers and members** to support their programs while maintaining fair and equitable access to the tee sheet for all golfers.

Player Development Programs



BCG will implement successful golfer development programs to meet the **learning needs of men, women, seniors, juniors, beginners, avid players, low handicappers, and disadvantaged youth**. As an active participant in the Golf 20/20 initiative, BCG's philosophy in all learning programs is to provide fun, non-threatening, and inexpensive opportunities that bring and retain all golfers permanently into the game of golf.

BCG believes that the game of golf is facing a serious dilemma. At a time when golf is arguably more prominent and popular than it has ever been, the rate at which new players are coming into – **and staying committed to** – the game has remained static, or declined. Many potential golfers are intimidated by the game's price, length of play, skill level, etiquette, and culture. With this realization, BCG develops programs to reduce the intimidating nature of learning the game. Each program, from junior level to adult level, has been

designed to break down these obstacles, and bring potential golfers permanently into the game.

BCG's most successful and innovative Player Development Programs will be implemented at RedGate, including:

- **Women in Golf:** This program, also known as 'Getting in on the Game' – provide women and girls a welcoming, introductory golf experience to be shared in a group environment with people much like themselves. Beginning with a seminar and concluding with a league, the multi-week program helps participants **gain confidence** in approaching, learning, and playing the game. Beginning with a classroom-style seminar led by both women and men golfers, participants learn answers to golf most basic questions, including:



- “How Do I Get Started?”
- “What Equipment Will I Need?”
- “Do I Have to Be Good to Enjoy It?”
- “When Will I be Ready to Play?”
- “How Much Time Does It Take?”
- “Will I Feel Welcome at the Course?”
- “Do I Make a Tee Time?”
- “Will I Ever Understand the Jargon?”
- “Much Does it Cost to Play Golf?”
- “Will I Learn the Rules?”

The seminar continues with time on the lesson tee – learning the basics of grip, stance, and swing with a **FREE 7-iron** to keep, provided by the course. It concludes with the opportunity for participants to purchase an “Instant Golfer Kit” – all of the equipment (basic set of clubs, pair of golf shoes, golf glove, tees, and balls) a that a new golfer needs to approach the game with confidence and style, for the low price of \$199.

The program continues with a **seven-week group lesson program** comprised of participants from the seminar, and leads into a weekly non-competitive league.

Samples of Player Development Programs follow.



INDIAN SPRING COUNTRY CLUB

INDIAN SPRING GOLF ACADEMY CLINICS



INTRODUCTION TO GOLF

For the New Golfer

LESSONS INCLUDE

- 6 hours of instruction
- 5 rounds of off-peak golf
- 5 *Play With The Pro* sessions
- 5 *Practice With The Pro* sessions
- Range discount voucher
- Club fitting

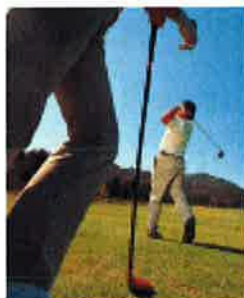


INTRODUCTION TO GOLF

For the Beginning Golfer

LESSONS INCLUDE

- 6 hours of instruction
- 5 rounds of off-peak golf
- 5 *Play With The Pro* sessions
- 5 *Practice With The Pro* sessions
- Range discount voucher
- Club fitting



BEGINNING GOLF

For the Beginning Golfer

LESSONS INCLUDE

- 6 hours of instruction
- 5 rounds of off-peak golf
- 5 *Play With The Pro* sessions
- 5 *Practice With The Pro* sessions
- Range discount voucher
- Club fitting

BREAKING 100

For the Intermediate Golfer

LESSONS INCLUDE

- 6 hours of instruction
- 5 rounds of discounted golf
- 5 *Play With The Pro* sessions
- 5 *Practice With The Pro* sessions
- Range discount voucher
- Club fitting



PRIVATE INSTRUCTION

For the Avid Golfer

LESSONS INCLUDE

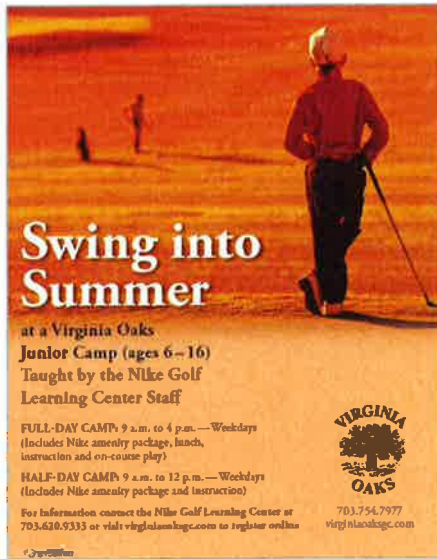
- Advanced skill development and coaching
- Detailed swing analysis

Women-only Classes Available.
Call today for more information or to enroll.

indianspringgolf.com - 856.983.0222



Youth Programs



BCG will develop **customized golfer development programs for junior golfers**, including Individual Lessons, Group Lessons, Clinics and Camps. BCG's affiliations and programs which the firm participates nationally include the Nike Golf Learning Center, The First Tee, National School Golf Program, the Hook a Kid on Golf Program, the Executive Women's Golf Association, and Take Your Daughter to the Course Week.

- **Lessons & Clinics:** In addition to specialized programs for women and junior golfers, BCG will offer individual lessons, group lessons, and clinics for all golfers of all abilities – **both for a fee and for FREE** throughout the year.

BCG understands the importance of growing the game of golf and is committed to this goal, demonstrated by our involvement and support of multiple First Tee Programs at our facilities – Home to the First Tee; Tulsa, OK; Philadelphia, PA; Wilmington, DE; Cincinnati, OH; Prince William County, VA; Brea, CA; and Chicago Park District, Chicago, IL.



Community Involvement

The facility will serve as hosts, as appropriate, to local high school and/or college golf team practices, matches and tournaments. Such programs will be coordinated with and promoted through the City's Department of Parks and Recreation, local schools and colleges, community organizations and centers, and senior centers. BCG will work to provide complimentary programs to the existing Junior Programs. BCG routinely encourages usage of our golf courses by area schools, providing equal access and opportunity for the junior golfers.

BCG will also actively promote the golf facility and its learning programs through local elementary, middle and high schools in cooperation with physical education and health teachers, even bringing teaching the game into the schools during class times, at after school programs, and during the summer, as appropriate. BCG will also offer and run junior tournaments and other contests for area golfers. BCG recognizes the importance of the growth of the game and actively promotes the game to junior golfers.



Calling Card

BEYOND THE GAME

THE CRC YOUTH GOLF ASSOCIATION PROVIDES CHILDREN WITH ACCESS TO A SPORT THEY MAY HAVE NEVER HAD THE OPPORTUNITY TO EXPERIENCE. THE PROGRAMS FOCUS ON COMMUNICATING LIFE VALUES THROUGH THE GAME OF GOLF.



Kid Power Cincinnati Recreation Commission THROUGHOUT CINCINNATI, OHIO

Since the first junior golf program was unveiled in the late-1980s, the Cincinnati Recreation Commission's Youth Golf Association has provided thousands of Cincinnati youth with affordable golf and a variety of lesson and tournament programs. More importantly, officials are able to see the progress of children as they develop as golfers and citizens.

COST TO IMPLEMENT: More than \$200,000 annually (CRC contributes \$14,000 per year, while golf professionals volunteer their time throughout the summer to teach. The remainder of the cost is covered through grants and fundraising efforts.)

WHAT MAKES IT SPECIAL: Three flagship programs form the foundation of a comprehensive golf and life-skills development initiative: the Tony Yates Caring for Kids Program, which exposes more than 250 juniors each year to new experiences; the First Tee, which also promotes character development and life-enhancing values

to more than 250, and Reaching Out for Kids, a program that enrolled more than 600 students in 2009 and taught life skills through golf.

REVENUE-GENERATING OPPORTUNITIES: Minimal. However, participants often remain loyal to the courses where they learned the game, so future revenue-generation opportunities abound as juniors finish the programs and becoming working citizens.

OUTCOME FROM HAVING IT AT THE FACILITIES: The CRC has generated goodwill in the community and seen increased play by those with children who participate in the Youth Golf Association. The overall result has been increased exposure for all seven Billy Casper Golf-managed courses in the CRC portfolio.



Retail Merchandising



BCG will offer for sale **high quality, competitively priced golf retail merchandise** at RedGate. Under the direction of BCG's National Merchandise Manager Gary Roeder, BCG will develop an annual buying plan, maintain national accounts with preferred partner vendors, design exceptional displays, and establish promotion and sales guidelines for the facility.

BCG will prepare and implement an annual **Retail Buying Plan of OTB Plan** for shirts, shorts, socks, outerwear; golf balls, gloves, shoes, accessories; drivers, woods, irons, putters, and utility clubs. Appropriate quantities and selection of merchandise, including logo items, will be purchased throughout the year, and inventory levels will be accounted for monthly.

BCG's National Account partners will provide lower pricing, extended terms, free or discounted fixtures and furnishings, and access to special close-out merchandise. Existing retail partners with which BCG has national accounts include Ashworth, Nike, Cutter & Buck, TaylorMade, Ahead Headwear, Adams Golf, Titleist, Footjoy, TourEdge, Wilson, Callaway, Greg Norman, among others.

BCG will appropriately **stock and display retail merchandise** using attractive displays, prominent and tasteful signage, appealing pricing, rotation of merchandise throughout the shop, easy availability of impulse items, and package pricing. Utilizing both the national schedule of holidays and the local market's seasons, RedGate will develop and implement appropriate promotions to increase sales of retail merchandise during higher-than-usual shopping times.

FOOD AND BEVERAGE OPERATIONS

BCG will offer for sale **high quality, competitively priced Food & Beverage (“F&B”) and beverage menu items** at RedGate. Under the guidance of BCG’s experienced F&B Directors nationwide, BCG will develop an annual buying and operating plan to provide for a healthful and efficient operation, develop an attractive menu, and design attractive displays and promotions – for both grill operations and catering/banquet operations.



F&B services will be delivered as appropriate for the kitchen and dining facilities at RedGate, including F&B inventory management, food preparation and service, regular on-course beverage cart service, and catering/banquet operations. All appropriate **licenses and permits** necessary to run a food service facility in the City, County, and State are obtained and kept current, all health standards and regulations are strictly followed, and all equipment and fixtures are maintained in good working order.

BCG will **develop a menu** based on the success of historical offerings at the facility, offerings at similar local facilities, the kitchen’s capabilities, and guest tastes. Surveying of guests is employed for regular feedback on improvement and enhancement of service levels, F&B quality, and menu options. BCG develops menus to allow for multiple uses of stocked food items as well as a reduction in waste. (A sample menu follows)

BCG will implement the **attractive use of display elements**, prominent and tasteful signage, appealing pricing, easy availability of impulse items, and package pricing. Promotion of F&B is included at the golf shop point-of-sale, on-course, and in golf and events packages.

F&B Practices

BCG has developed and implemented several programs and procedures to build and maintain **profitable a la carte and banquet/event businesses**, trained staff in procedures unique to operating successful food and beverage operation at public golf clubs, and instilled the firm’s ‘Guest Experience Vision.’ Specific components of such programs and procedures include:

- Banquet Marketing and Sales Plan
- F&B Operation Policies and Procedures Manual
- Banquets and Events Policies and Procedures Manual
- Guest Services Guidelines
- Safe F&B Handling Techniques
- Kitchen Procedures
- Cooking and Presentation Training
- Alcohol Service Training

BCG’s technical experience and skills in the management and operation of food and beverage outlets potentially similar to RedGate (full-service restaurant, full-service bar, grill, snack bars, and mobile beverage carts) is quite extensive and will serve the City and its residents well with those operations under BCG’s management.

Ongoing Education and Training

BCG conducts annual 3-day educational workshops and regional seminars specifically designed for managers and assistant managers in Maintenance, Golf Operations and F&B Banquet Operations. Each seminar includes outside experts, cracker barrel sessions among peers, and motivational speakers. BCG firmly believes that our people are our greatest asset, and the preservation of and investment in this asset lays the foundation for future success.



Appetizers

- Chips & Salsa**\$3.95
House made tortilla chips and fresh salsa
- Chips & Queso**\$5.95
House made tortilla chips and spicy cheese dip
- Chicken Tenders**\$7.95
Hand breaded chicken tenders, lightly fried and served with honey mustard sauce and french fries
- Fajita Nachos**\$7.95
Cheese nachos topped with your choice of grilled fajita steak or chicken; served with sour cream, guacamole and pico de gallo
- Quesadilla**\$7.95
Grilled flour tortilla filled with your choice of fajita steak or chicken, green peppers, onions and shredded cheese; served with sour cream, guacamole and pico de gallo
- Billy's Buffalo Wings**\$6.95
Spicy chicken wings served with ranch dressing
- Cheese Fries**\$6.95
Crispy french fries topped with shredded cheese and bits of bacon; served with ranch dressing

Salads

- Chicken Tender Salad**\$8.95
Crisp chicken tenders served on fresh salad greens with shredded cheese, tomatoes and honey mustard sauce
- Chef's Salad**\$8.95
Roast turkey breast and hickory smoked ham strips, tomatoes, bits of bacon and shredded cheese served on a bed of lettuce
- Fajita Chicken Salad**\$8.95
Grilled chicken, tomatoes, shredded cheese and tortilla strips served on crisp lettuce
- Taco Salad**\$8.95
Spicy beef, shredded cheese, pico de gallo, sour cream and crisp lettuce served in a large taco shell

Burgers & Sandwiches

- All burgers and sandwiches are served with your choice of french fries, onion rings or a house salad.*
- Cheeseburger**\$8.95
A thick, juicy burger with lettuce, tomatoes, pickles, onions and cheese
 - Grilled Chicken Sandwich**\$8.95
A large, marinated chicken breast, char-grilled, topped with melted jack cheese, lettuce, tomatoes and pickles
 - Classic Club**\$8.95
Roast turkey breast and hickory-smoked ham, piled high with bacon, cheese, lettuce and tomatoes and mayonnaise on toasted bread
 - Philly Cheesesteak**\$8.95
Thin slices of steak, grilled onions and peppers and melted cheese on a warm hoagie roll
 - Bar-B-Que Sandwich**\$8.95
Smoked brisket, barbeque sauce, onions and pickles served on a toasted bun
 - Chicken Fried Steak Sandwich**\$8.95
Golden chicken fried steak, cheese, lettuce, tomatoes and mayonnaise served on a toasted bun

Hot Ham & Cheese Sandwich\$8.95
Sliced hickory smoked ham and melted cheese on a warm hoagie roll

Turkey Wrap\$8.95
Roasted turkey, cheese, lettuce and tomatoes wrapped in a tortilla

Beverages

- Fountain Soda, Iced Tea, Coffee**\$2.25
- Domestic Beer**\$3.75
- Import Beer**\$4.50
- Gatorade**\$3.00
- Water**\$2.50

UNIQUE KNOWLEDGE, SKILLS, and EXPERIENCE

BCG will provide RedGate with expert services in accounting, golf operations, sales, IT, personnel management, property maintenance / agronomy, business planning / budgeting, and F&B and guest services.

Guest Service

BCG will continue to train all employees through our innovative 'ACE the Guest Experience' Training Program™. ACE™ is a professionally-developed series of training, observation, and feedback lessons to teach all employees how to act out **BCG's Guest Experience Vision**:

I am part of a team prepared to create fun and enjoyment for our guests.

My positive attitude is my responsibility.

I choose to create loyal guests with my team, my attitude, and my actions.

The **ACE Program**™ includes trainer-directed sessions using a professionally-filmed DVD (*below*) and workbooks to teach our employees how to deliver great guest experiences. BCG's employees wrote, directed, and starred in the custom 30-minute DVD to promote BCG's service standards and behaviors.



Each BCG-managed facility has at least one professionally-trained 'employee trainer' who leads the ACE Program™, observes employees interacting with guests, and provides feedback to improve guest service. The DVD, training materials, and training guidelines are updated annually to ensure authenticity.

The ACE Program™ starts with an introduction by the firm's namesake **Billy Casper** (*left*), and the values our firm has instilled from his career of putting his fans – *his guests* – first.

Then, employees are taught that every guest contact is guided by **BCG's Service Standards** (*right*), designed to empower each employee to make the right decision in any circumstance. For example, the safety of our guests (and employees) is always the first priority, even if clearing the course for lightening may inconvenience some golfers. Another example, the courtesy of waiting for a group to finish putting trumps the efficiency of a beverage cart moving onto the next group.

Service Standards

- * Safety *
- * Courtesy *
- * Responsiveness *
- * Efficiency *

Service Behaviors

- Acknowledge all guests with eye contact and a smile each and every time.
- Greet and welcome every guest; using their name if possible.
- Dress in a professional manner and wear a nametag at all times.
- Actively seek out guest contact and offer assistance.
- Provide immediate service resolution.
- Display appropriate body language at all times.
- Promote the facility in a positive and professional manner.
- Thank and invite back every guest, using his or her name if possible.

Next, **BCG's Service Behaviors (left)** – specific, observable behavior guidelines that communicate the minimum requirement for every guest interaction – are introduced. Examples of both good and bad interactions are demonstrated and discussed, role playing of common interactions is done, and review of position-specific 'best practices' for interacting with guests throughout their journey at the golf facility is completed. Employees practice interacting with each other using these guidelines, and then hold each other accountable beyond the training to exhibit them every day.

Finally, our employees are guided through the **Guest's Journey** – from beginning to end – to

help them understand how each and every guest interaction with an employee influences the golfer's experience. We teach our employees to empathize with each golfer's personal situation, anticipate their needs, service their needs, and then introduce the golfer to the next portion of their journey, creating a positive, seamless golfing experience.

The formal training sessions are followed-up by regular review of the guest vision statement, service standards, service behaviors, and guest journey in both department and all-staff meetings. The facility's management team provides employees with timely feedback on positive and negative interactions that are observed, and each facility has regular **Mystery Shopping (right)** conducted by professional, independent evaluators. Results and feedback from the 71-question evaluations are used to further train and reward employees based on the experiences of the 'mystery guest' encounters. Emphasis in the evaluation is placed on employee-guest interactions, with the facility's management team incentivized to deliver the best possible experiences.

Overall Customer Satisfaction
100% (3/3)

69. In general, did the team of employees work together to create a "fun and enjoyable experience?"	1/1	Yes
70. Based solely on the overall experience you had today, would you return to play this course as a paying customer?	1/1	Yes
71. Would you recommend this course to a friend?	1/1	Yes

Please describe why you answered the last two questions the way you did.

The course was clean and maintained. The employees appeared to be focused on the customer, especially Nancy in the Snack area.

When I asked a question of Christopher, in the pro shop, he verified the answer by checking with another employee. Also, when I checked out, the employees all focused their attention on explaining the free golf lessons to me, and asking if I had a good time.

I enjoyed the attitude of the employees, and the helpfulness of Christopher when I went to purchase a pair of shoes. He showed me a pair on sale, first, which is a considerate thing in my opinion.

I will play here again, and will recommend this course because the employees made my experience such a good one.

Comments? Suggestions?
Please call the Billy Casper Golf
Customer Comment Line at
1.866.589.7757

Additionally, guests are afforded several means to share comments and suggestions to BCG's management, including toll-free **Guest Comment Lines (left)**, web site-based **Feedback Forms**, and periodic **Guest Surveys**. All designed to help BCG understand the importance

of each part of the guest experience to our golfers, and how we are performing relative to our competition and our own expectations.

Information Technology

BCG is unique among golf facility management firms, providing information technology services through its **Information & Technology Department**.

BCG will **manage the information technology systems** – including the EZLinks POS and Tee Time Reservation System, Web Sites, and Broadcast E-mail functions – for RedGate, through our marketing area due to the importance of technology in revenue generation and guest retention.

BCG will operate the **EZLinks POS and Tee Time Reservation System** at RedGate to integrate successfully a series of operational and revenue-generating modules into a seamless, easy-to-use program to sell an available inventory of tee times, merchandise, and F&B services. The system's modules include:

- Electronic Tee Sheet
- Guest Database with Activity History
- Facility Web Site Reservation Portal
- Operator-Staffed Reservation Center
- Partner Reservation Portal
- Guest ID / Gift Card Program
- Point-Of-Sale System
- Loyalty / Retention Program
- Database Marketing and Analysis Tools



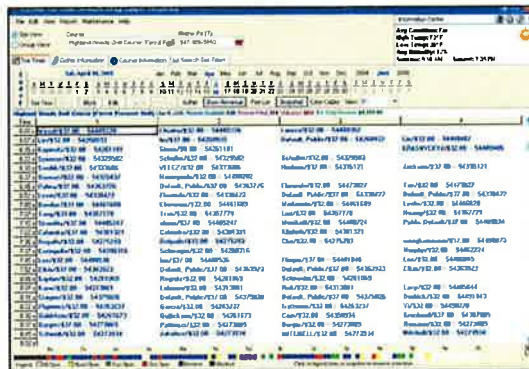
BCG's Marketing Technology Team will work closely with the General Manager and the Marketing Team to install and implement all appropriate modules, provide training to facility staff on the **most effective use** of those modules, manage the relationships with software and hardware vendors, and establish and communicate **'best practices' learned** from BCG's most successful facilities.

BCG will also develop and utilize a complete Web Site Marketing and Dynamic Broadcast E-mail Messaging System as part of our marketing plan, with revenue generation as their primary purpose.

Capturing Guest Data to Drive Revenue

BCG is unique among golf facility management firms in our use of technology to integrate golf operations and marketing. Every BCG-managed facility utilizes an Electronic Reservation and POS System to identify and track the purchasing habits of individual guests. This data allows us to develop and implement specific marketing programs directed toward individual guests, targeting specific sales, benefits, and communications based on individual playing and purchasing habits. The end goal is to increase revenue through retention of our facility's most valuable asset – guests.

All golfer reservations and their contact data are recorded on an Electronic Tee Sheet (see left), with access given to guests' 24-hours a day via both Internet and Telephone.



As each golfer checks-in, he/she is provided a unique, scanable ID card (see below for an example) that is tied to a program which encourages a golfer's return to the course.

At each subsequent check-in, the card is scanned, providing for complete capture of that guest's playing and purchasing habits. That data is transferred to BCG's proprietary, industry-leading data mining program for analysis of individual guest behavior trends, retention, and growth. The data is compared to tee sheet utilization across days and times to determine where and when marketing efforts need to be concentrated for special offers.



BCG's nine-person marketing team uses the unique guest data to personally target communications to individual guests based on their past behaviors, predicted trends, and the needs of the golf facility. This, in turn, leads to higher revenues through better retention and growth of existing guests.

Emergency Management

BCG directs each managed facility to develop an emergency management plan that can be used by all employees in case of unexpected occurrences or emergencies. As part of the **emergency planning process**, each facility will:

- Identify hazards and assess risk.
- Assess capabilities and resources.
- Develop an emergency plan and procedures.
- Integrate the plan with the community plan (i.e., emergency responders).
- Conduct training of employees, drills, and exercises.

From this process, each facility develops an **action guide** that describes the procedures to be followed in the event of an emergency. It outlines which personnel and outside agencies are to be called and what information is to be collected and conveyed, and provides other basic response functions.

In addition, each facility develops an **overall emergency management plan** that includes the four phases of emergency planning – prevention, preparedness, response, and recovery. It describes the methods utilized to prevent emergencies, the plans implemented to prepare for emergencies, the actions to initiate in the event of an emergency, and the activities necessary to keep the organization functioning and to bring it back to full operation should damage be sustained. This work is completed as part of our firm's safety and risk management functions.

Safety & Risk Management

BCG's **Director of Contracts & Risk Management, Sandra Colareta** will direct the firm's efforts to ensure all managers and employees are provided with and trained in all appropriate safety and sanitation regulations, guidelines, and rules.

The firm maintains standard **safety and sanitation manuals** which meet OSHA standards for all positions and job responsibilities, machinery and equipment, and chemicals and fertilizers. Local and state regulations are added to the manuals and appropriate. BCG requires all employees to read and acknowledge receipt of all manuals, attend regular training sessions, and report any and all accidents or safety violations to his/her supervisor.

BCG also directs the securing and maintenance of all insurance, risk management, and business licensing requirements, including claims filing, renewals, and the meeting of all **regulatory requirements**.

Budget Planning and Preparation

BCG directs each facility to complete an annual planning process that includes development of an **Annual Plan (including Annual Budget, Business Plan, Marketing Plan and Agronomic Plan)** for the following calendar year (see next page for Table of Contents).

Each General Manager and his/her department heads work closely together with their BCG Regional Vice President and Marketing Team to develop an achievable budget and plan. Upon review by BCG Senior Management and approval by the client, the facility manager implements the plan to achieve the facility's goals.



Annual Budget: The Annual Budget includes the Operating Budget (Revenue, COGS, Labor Expenses, Operating Expenses, and Cash Flow); Statistical Summary; Personnel Schedule; Equipment Lease Schedule; 10-Year Pro Forma; and Capital Budget. BCG develops and proposes the budget to the client for their input and approval.

Annual Plan: The Annual Plan includes an Overview and Analysis of the business, market, and guest base; Marketing Goals and Strategies in order to meet the budgeted revenue goals; Operational Goals and Strategies in order to meet service and budgeted profitability goals; and Agronomic Goals and Strategies in order to efficiently and effectively condition the course.

2012 BCG ANNUAL PLAN TABLE OF CONTENTS

Overview & Analysis

- Executive Summary
- Mission Statement & USP
- History / Situation
- SWOT (Strengths, Weaknesses, Opportunities, Threats) Analysis
- Competitive Analysis
- Guest & Utilization Analyses

Marketing Goals & Strategies

- Financial Goals
- Daily Fee Golf
- Sales
- Guest Retention
- Retail
- Golfer Development
- Publicity & Community Relations

Operational Goals & Strategies

- Profitability
- Guest Service & Experience
- Employee Development & Morale

Agronomic Goals & Strategies

- Course Conditions
- Maintenance Labor Detail
- Chemical and Fertilizer Plan
- Square Footage Report
- Acreage Report
- Maintenance Equipment Report

Operating Budget

- Operating Budget
- Statistical Summary
- Personnel Schedule
- Equipment Lease Schedule
- 10-Year Pro Forma

PERSONNEL MANAGEMENT

BCG will provide **complete human resources and personnel management** services for RedGate utilizing the skills and resources of a talented team of HR professionals. The General Manager will work closely with the Human Resources Team to recruit, hire, train, employ, and evaluate individuals for all positions. BCG utilizes **local and national resources to recruit and hire** the best individuals for all positions, with particular attention paid toward employing local residents and current employees. BCG communicates fully and works effectively with all affected employees in order to ease anxieties and assure a smooth transition.

All current City Employees will have an opportunity to become employees of BCG. During the transition period after the contract is awarded, employees will be interviewed to assess their skill sets and qualifications for their positions. At this initial interview, BCG policies, procedures, performance standards, and wage standards will be reviewed.

BCG expressly supports and is committed to the principle of **Equal Employment Opportunity and Affirmative Action**. It is our firm’s policy to recruit, hire, train, and promote only qualified. We implement and administer all personnel policies and other employment actions without regard to race, color, religion, creed, age, sex, national origin or ancestry, marital status, veteran status, status as a qualified handicapped or disabled individual, or any impermissible factor in accordance with applicable laws.

BCG expressly supports and is committed to promoting a **Drug-Free Workplace**, and preventing and prohibiting any form of impermissible harassment. BCG strictly enforces all appropriate safety rules and practices, state and local liquor laws, and state and federal employment regulations. BCG **provides benefits** to applicable full-time permanent employees, and offers professional growth opportunities for all employees.

STAFFING PLAN

BCG will staff RedGate with the number of managers and employees necessary to **successfully operate a profitable business**. The Regional Manager will work closely with BCG’s Vice President of Human Resource Development, to recruit, hire, train, and evaluate individuals for all positions.

Position	Type	No. of Employees
General Manager	Full-time; Salaried	1
Golf Professionals	Full-time; Salaried	1
Superintendent	Full-time; Salaried	1
Foreman	Full-time; Hourly	1
Mechanic	Full-time; Hourly	1
Maintenance Crew	Seasonal; Hourly	3-6
Pro Shop Attendants	Seasonal; Hourly	2-4
Starters / Rangers / Cart Attendants	Seasonal; Hourly	2-20
Food & Beverage Attendants	Seasonal; Hourly	3-8

Requirements of General Manager (“GM”)

BCG employs dozens of Class A PGA Members nationwide and intends to have an **experienced, Class A PGA Member on-site** and involved in daily operations at RedGate.



The General Manager is directly responsible for all operational functions, including the hiring and training of all operational personnel; budgeting and coordination of accounting functions; coordination of marketing activities; and working closely with and reporting to the City's representatives on day to day operations.

Each BCG Manager works with his/her department heads, on-site staff, and BCG corporate team to direct the golf course's business, including:

- **Leadership:** Cultivating a positive and productive workplace through communication, vision, teamwork and commitment; reinforcing company values and beliefs through both words and actions.
- **Golf Operations:** Encompassing tee sheet management, outside services, outings and tournaments and player development programs to increase facility utilization and revenues.
- **Course Maintenance:** Partnering with the Superintendent to ensure compliance with maintenance standards to provide a healthy and manicured course from tee to green with emphasis on “best in class” course conditions.
- **Customer Service:** Providing world-class service and products to increase customer acquisition and retention. Actively promoting BCG's 'Customer Experience Initiative' and 'Guest Vision Statement.'
- **Sales and Marketing:** Implementing key strategies to create a 'Revenue Culture' in which all employees generate revenue through increased daily fee rounds, outing rounds, and merchandise sales; understanding local competition and creatively increasing the golf course's market share.
- **Accounting/Budgeting:** Creating and managing annual budgets, partnering with department heads to ensure efficient expense and revenue management, and performing daily/weekly/monthly accounting and financial reporting process.
- **Human Resources:** Recruiting, training and developing department heads and staff; manage compensation, payroll and benefits administration.
- **Player Development:** Developing and implementing instructional programs to attract, retain, and improve new golfers and those returning to the game.

BCG's ability to source and hire high-quality employees for key positions during quick start-ups and transitions is exceptional. **Having completed 75 transitions and seven new course start-ups in the past five years**, BCG's experience with and ability to build a successful on-site team is unmatched in the industry.

AGRONOMIC OVERVIEW

GROUNDS MAINTENANCE

BCG's agronomic team tackles the quest to deliver an outstanding playing experience to each golfer every day. To BCG, agronomy is more than just growing grass. It's about creating a playing environment for our golfers to enjoy repeatedly, to rave about well after they've left the 18th green.

Our company is committed to achieving agronomic excellence by utilizing and improving upon reliable, proven techniques. Our approach encourages the use of nature-friendly compounds and prudent chemical applications to achieve turf health at the most reasonable cost, while ensuring our golf courses remain sanctuaries for native plants and wildlife. BCG's approach to maintaining RedGate will emphasize the quality of course conditions, attention to detail throughout the property, efficiency in staffing, and full compliance with all environmental regulations.



BCG's agronomic services include:

- | | |
|---|---|
| <ul style="list-style-type: none"> ▪ Agronomic Planning ▪ Environmental Planning ▪ Turfgrass Science ▪ Pest Management ▪ Turfgrass Maintenance | <ul style="list-style-type: none"> ▪ Water and Irrigation Technologies ▪ Equipment Maintenance and Repair ▪ Course Renovation Projects ▪ Environmental Compliance ▪ Facilities Maintenance |
|---|---|

The agronomic and course conditioning plan will focus on both short-term and long-term goals. The plan is developed to provide the desired playing conditions of management within the given fiscal guidelines.

On-going Maintenance

BCG will maintain RedGate in a high quality manner, consistent with the quality expected of a public-access golf course. BCG and our staff will perform all of the work and will continuously improve on existing conditions at RedGate. Specifically, BCG will:

- Provide expert oversight as needed by a proven, superintendent familiar with the conditions of maintaining local turf grasses in the area.
- Work with the City to acquire the necessary equipment to **improve turfgrass health and playability.**
- Implement **modern agronomic practices** with improved efficiencies, utilizing a highly qualified and expertly trained professional staff.
- Provide an overall **attention to detail** in all areas of facility maintenance and care, including areas seen and not seen by the golfer.
- Create **definition/contour** between playing areas, such as fairways and rough, and improve mowing patterns to enhance both aesthetics and playability.
- Work closely with the City to deliver an **overall, high-quality golf experience** that serves to maximize revenue for the golf course.



To do this, BCG will develop and implement a Agronomic Plan specifically for RedGate. The Plan will meet and/or exceed the maintenance standards established by the City, and the conditions expected of our guests. The City will benefit from BCG's extensive knowledge of agronomic practices and programs, how the golf and maintenance operations **work together on a daily basis to deliver an exceptional golfing experience**, and having RedGate maintained in strict compliance with all maintenance and environmental standards.

Equipment and Systems

BCG will properly maintain all equipment and systems utilizing manufacturer's instructions and recommendations in order to maximize the effectiveness, efficiency, and duration of use of each piece and system. BCG will work closely with the client to determine the effectiveness and lifespan of each piece of equipment and system, and prioritize the needs for replacement and/or repair of that equipment or system.

Management & Staffing

BCG will hire a Golf Course Superintendent who is a certified member of the Golf Course Superintendent's Association of America ("GCSAA"). This individual has a **thorough knowledge of and experience with golf course maintenance on a landfill and turf management practices appropriate to the climate and type of turf at RedGate**. The Superintendent will oversee a professional maintenance staff that handles the daily maintenance of RedGate, and maintains responsibility for overall quality of course conditions every day. He is in constant communication with the maintenance staff, receiving regular reports and updates.

Support

BCG's Agronomic Team will provide support to the superintendent and maintenance staff. Periodic visits incorporate the generation of a *Site Summary Report* which includes detailed narrative describing current agronomic practices and conditions. Pictures, action plans, resource requirements and timelines are included in these reports to inform the client, general manager, regional staff and corporate personnel of the progress at each facility. This level of support ensures the desired product is produced for the client and guests at all of our managed golf courses.

Conclusion

BCG has the resources and staff to provide the level of golf course maintenance desired by the City. We currently manage the agronomic programs for 13 golf facilities in the Baltimore-Washington metro area, providing us with the experience and resources to provide RedGate and the City with the best service and conditions possible.

BCG ENVIRONMENTAL PROGRAMS

Environmental Stewardship

BCG will implement sound **environmental management practices** at RedGate, making a valuable contribution to conservation and improving RedGate's environmental quality to enhance the golfers' experiences.

Audubon Certification

Each BCG-managed course is registered and committed to attaining Audubon Cooperative Sanctuary certification. Achieving certification is quite an honor recognizing the agronomic team for protecting the environment and preserving the natural heritage of golf. In attaining certification from the conservation group **Audubon International**, the courses successfully maintain sound environmental practices in six key areas:



- Environmental planning
- Wildlife and habitat management
- Outreach and education
- Chemical use reduction
- Water conservation
- Water quality management

The programs initiate the creation of wildlife habitats, corridors connecting these varying habitats and wildlife control tactics to minimize an adverse impact on the wildlife or the golf course.

Turf Management

BCG will establish maintenance policies and procedures that are consistent with the client's expectations and budget.

Our regional agronomists provide oversight and share best management practices and expertise in solving challenging turf related issues. We will establish both near and long term capital improvement plans for the client's review and approval.

Green/Eco-Friendly Techniques



BCG expects a positive impact on the presentation and turf condition as our BCG Green ("BCGreen") program is instituted. In many instances, BCG has seen dramatically improved course conditions and positive impact on the natural resources. The natural resources that are benefited through our BCGreen program are as follows:

Water Conservation: By reducing chemical applications, the golf course will decrease unnecessary or excessive water usage, resulting in reduced watering of the greens and/or fairways with the fertilizers and chemical applications. Irrigation practices employed are geared to maximize water absorption and minimize water loss to evaporation and runoff. Soil properties and turf health are maintained in an optimum range to assure efficiency.

Water Quality: Water quality will improve as the chemicals and fertilizers are filtered through natural buffer zones. This will reduce the nutrient loading and corresponding unwanted blooms. Nutrient loading can reduce natural aquatic activity and plant life. Best Management Practices to ensure water quality include using slow-release fertilizers, spoon-feeding, and filtering drainage through vegetative or mechanical filters prior to entering water bodies, etc.

Wildlife: The immediate benefit to the existing wildlife is the improvement of the native habitat and a commitment for the golf course to seamlessly coexist and complement the wildlife. Specifically, prior to managing or controlling the wildlife interaction it is imperative to identify the core habitats that exist and the basic needs of the wildlife. Hence, the delineation of the golf course into 'dedicated zones' allows the golf course operator to maximize peripheral or visceral interaction points between golfers and wildlife.

Human Risk: Improper chemical use can have serious consequences for people, the environment, and the game of golf. The reduction of chemical applications inherently reduces the health hazards and harmful health effects (illness, chronic disease, sub-lethal impacts) that can be caused directly from chemicals.

Eco-friendly Products



BCG utilizes eco-friendly products in a company wide initiative to minimize our footprint and impact on the environment. These products are "green-seal" certified products to include soaps, cleaners, paper towels, toilet paper and paint as appropriate. Energy Conservation initiatives include the installation of energy efficient compact fluorescent light bulbs.

BCG is evaluating the usage of high grade vegetable oil as a replacement for hydraulic fluid in the mowing equipment. The vegetable oil is more environmentally friendly and will not impact the ground, wildlife and soils in case of a leak on the mower. The vegetable oil is more costly on front end; however, the savings in case of a leak can be immeasurable.

BCG is currently evaluating the usage of chlorine free, biodegradable products to be utilized in our grille room and snack bar operations. In addition, BCG is undertaking composting services to dispose of food waste, thus minimizing the waste produced with an additional benefit of rich soil for plantings.

Chemical Usage

The most critical aspect of balancing proper chemical and fertilizer usage for the golf course versus the protection of the natural resource is commitment to an Integrated Pest Management Program that is friendly to the environment. Provided below is a direct excerpt from BCG's Training Manual outlining our policy as it pertains to the proper management of chemicals.

BCG divides our chemical management program into five goals; (1) general knowledge, (2) cultural practices and IPM Techniques, (3) Best Practices (4) Communication and Education, (5) Storage Procedures.

Implementing standard practices of integrated pest management (IPM) and best management practices (BMP) is an ongoing process. BCG continuously explores alternative pest control measures to minimize pesticide inputs even further. In addition, the creation of buffer zones between treated turf areas and all water bodies as a means to filter potential runoff of harmful chemicals and fertilizers.

BCG CULTURAL PRACTICES

BCG implements best management practices to properly care and produce desirable conditions at every golf course within the BCG family. This is accomplished by a variety of cultural management practices that are implemented to manage both the surface and sub-surface (growing medium) variables commonly seen on golf courses. There are various primary and supplementary cultural practices that can be utilized to obtain a healthy stand of turfgrass:

BCG's Primary Cultural Practices

- **Mowing:** Turfgrass needs to be maintained at the proper mowing height and frequency specific to the turfgrass species and variety. Turfgrass incorrectly mowed will create a stressed plant, which will have less defensive capabilities against pathogens. Equipment shall be operating properly to ensure that the leaf blade is cut cleanly. A frayed or torn leaf blade, due to improperly operating equipment, is an open site for disease and pest infection which may produce unsatisfactory playing conditions
- **Fertilization:** Turfgrass requires nutrients to thrive and this can be delivered in the form of fertilizer. There are a variety of fertilizer types and application processes. Soil tests are completed annually or more often if required. Fertilizer programs are then built off the soil test results and are specific to individual areas of the golf course. Proper application and delivery methods are utilized to ensure the correct amount of nutrients are available to the plant.

We often use organic fertilizers on the golf course to promote plant health. Organic fertilizer is usually derived from harvested bio-waste of poultry or other animals. The organic fertilizer, when applied to the turfgrass, actually provides a food source for the beneficial micro-organisms in the soil that complete the natural nitrification (conversion of ammonia nitrogen into the plant available nitrate form) process. This process, in turn, releases plant available nitrogen to the soil environment.

- **Irrigation:** Supplemental water is often required on golf course surfaces to provide a healthy canopy of turf. Correct irrigation practices begin with a properly designed and functioning irrigation system. Irrigation sprinklers that are level, have the correct spacing and nozzle types are important in allowing the superintendent to properly apply the desired amount of water to the golf course. Irrigation water is analyzed through water sampling when necessary and inadequacies can be corrected.

Improperly applied water, whether it comes from an incorrectly functioning irrigation system or mismanagement of applications, can create wet and anaerobic micro environments conducive to pathogens.

Hand watering is a highly recommended practice to reduce water use and effectively irrigate potential dry areas without exposing turf to over-watering. Hand watering helps to ensure healthy turf while reducing disease pressure and the need for chemical applications.

BCG's Supplementary Cultural Practices

- **Cultivation:** There are a variety of methods for cultivation in the turfgrass industry. These methods are employed primarily to improve the physical characteristics of the sub-surface growing medium. The most common method is aerification, which typically involves core removal of undesirable soil. Characteristically on greens and tees, a more desirable mixture of sand and organic material is incorporated into the growing medium to improve both capillary and non-capillary pore space.

In addition to soil modification, aerification is used to remove excess thatch and allow critical exchange of carbon dioxide in the soil with oxygen in the atmosphere.

- **Topdressing:** Topdressing is the practice of evenly spreading a sand or sand medium over the canopy of the turfgrass, followed by incorporation via a broom or drag mat. Topdressing provides a variety of benefits. Ball marks and small indentations are smoothed out or eliminated due to topdressing, allowing a true putting surface on greens.

The main reason for topdressing, however, is to combat thatch. Thatch is the term that refers to decomposed or partially decomposed plant material collected around and below the crown of the plant. This material in the thatch layer creates a desirable environment for turfgrass pathogens. Topdressing incorporates sand into this layer to create a uniform soil mixture throughout the root zone and help accelerate the decomposition process. Reducing and managing the thatch layer will help decrease disease and pest pressure by removing the pathogenic conducive environment thatch provides.

- **Wetting Agents:** The surface contours on greens often inhibit the superintendent's ability to effectively distribute water evenly across the surface. Sloping areas on greens will encourage water to runoff and collect in lower lying flat areas. Surfactants (surface active agents) are materials that are utilized to help decrease the interfacial tension that occurs between water and solids on these slopes.

These materials are applied to the turfgrass and are worked into the soil to help water more readily move into and through the root zone for improved availability of the water to plants via the roots.

- **Plant Growth Regulation:** Plant growth regulators (PGRs) are used to slow the growth of a turfgrass plant through temporary cessation of cell division. The use of PGRs allows a plant to safely slow down the growth process, reducing the need for nutrients which may be tied up in high-salt soils. In addition, mowing frequency can be reduced; limiting mechanical stress caused by mowers. Decreased amount of inputs (labor, gasoline, oil, etc.) can be realized in order to maintain the turfgrass.
- **Rolling:** Rolling is practiced at many facilities to help increase green speeds without having to use ultra-low cutting heights. Mowing turfgrass at very low heights adds additional stress to the plant and allows pathogens to more readily invade. The use of light-weight rollers is carried out with higher mowing heights to create the same green speeds for the golfer's enjoyment, while allowing the turf to produce healthier plants at the higher height-of-cut.

- **Verticutting:** Verticutting is the practice of vertical mowing the turfgrass. Vertical blades are used (similar to circular saw blades) for this task. Verticutting is performed as often as necessary throughout the season. This process mechanically removes thatch from the turf. Excessive thatch can cause a variety of problems; including limited water infiltration and decrease fertilizer incorporation. A large thatch layer also creates an environment conducive to disease and insects.

Each season, the superintendent uses a variety of resources to plan the cultural and material application practices necessary to manage the surface and sub-surface variables in order to create the best possible playing conditions for the guest. The Agronomic Plan covers preferred application and implementation timing of all cultural practices. Integrated Pest Management (“IPM”) is utilized during the year to implement the Agronomic Plan. The superintendent monitors weather, soil temperatures, disease pressures and a variety of other environmental indicators to determine the necessity for cultural practices that are essential to the plant’s health.



Compass Pointe Golf Course, Pasadena, MD

MARKETING & PR PLAN



REDGATE MUNICIPAL GOLF COURSE

**Billy Casper Golf Management
2012 Marketing Plan**

June 2011



**BILLY CASPER
G O L F**

MARKETING OVERVIEW & PLAN

This strategic plan outlines the initial marketing action items BCG anticipates implementing during the **first year of operation of RedGate**. The primary objective of the Marketing Plan for RedGate and the City is to significantly increase the acquisition and retention of guests leading to increased growth of Gross Revenue and profitability.

BCG will create and implement a five-part marketing strategy:

- Marketing Systems
- Guest Acquisition Programs
- Guest Retention Programs
- Sales Programs
- Quality Assurance Programs

MARKETING SYSTEMS

- **Web Sites:** Establish consumer-friendly, easy-to-navigate web sites specifically for RedGate. The web site will be designed to provide the visitor easy access to reserving tee times, finding directions, learning more about the City, inquiring about group business, and contacting the club. We will maintain existing gift card sales, social media connections and iPhone applications.
- **E-mail:** Establish reliable, easy-to-use e-mail service for RedGate's manager and staff. E-mail will be used not only as a communication tool, but also as a branding opportunity with marketing messages and web site links embedded into the signatures of RedGate's e-mails.
- **Broadcast E-mail:** Establish a permission-based e-mail marketing system to send relevant messages regularly to guests of RedGate. E-mails will be designed to connect the guest directly to our site as well as the City's web site.
- **Reservation System / Guest Database / POS:** Establish an integrated, fully-functional reservation system with guest database and point-of-sale system. BCG's preferred system, EZLinks Golf, includes services for a 24/7 operator-staffed reservation center, online tee time reservations, partner reservation portals, tracking of guest data, loyalty rewards programs, and recording of daily financial transactions.
- **Graphic Design:** Utilize our professional graphic design team at Larnish & Associates to establish professional design guidelines and templates for graphics needed for RedGate's advertising, direct marketing and systems. All graphics will be designed and implemented in a manner that benefits the overall image of the City and brand and will follow any existing guidelines established by the City.
- **Collateral:** Design and print business and sales collateral to support marketing and sales strategies. This includes score cards, yardage books, rack cards, brochures, sales flyers and folders, business stationary and cards, thank you notes, and posters.
- **Photography:** Establish a library of hi-resolution, professionally-shot photographs to support marketing and sales strategies.
- **Sales Systems:** Establish Salesforce; an electronic sales management tool for lead generation, management, and closing for group sales.

GUEST ACQUISITION PROGRAMS

BCG's Marketing Team will establish measurable, effective, and guest-focused Acquisition Programs that attract **guests** to RedGate.

All Acquisition Programs will be designed and implemented in a manner that benefits RedGate as well as the City. Markets, advertising mediums and lists will be used that provide the best measurable Return on Investment "ROI".

- **Advertising:** Design and implement a comprehensive advertising campaign that targets and attracts new guests. All advertising will be appropriately messaged for the intended product/service (local play and group business), geographic target (local or regional), and guest type (trial, group leader).
- **Direct Mail:** Design and implement a comprehensive direct mail campaign that targets and attracts new guests in regional markets, providing incentive for trial use. All direct mail will be appropriately messaged for the intended product/service (local play and group business), geographic target (local or regional), and guest type (trial, group leader).
- **Broadcast E-mail:** Design and implement comprehensive e-mail marketing campaign that targets and attracts new guests in regional markets, providing incentive for trial use. All broadcast e-mail will be appropriately messaged for the intended product/service (local play or group business), geographic target (local or regional), and guest type (trial, group leader).
- **Promotional Offers:** Establish and implement promotional offers designed to attract new guests to be the first to play.



The creation of specific promotional offers requires thorough, knowledge of the market area, a thorough understanding the golfer segment, as well as trial-and-error with differing options. For example, BCG employs A-B testing (i.e., one group of guests receives offer A and another group of similar guests receives offer B) in order to determine which offer may be the best for full implementation.

Careful attention will be paid to the impact (positive and negative) of any promotional offer on volume, total revenue, and average revenue per round. Promotional offers tied to specific advertising or direct marketing campaigns will be measured in order to ascertain the ROI of the campaign.

A full-scale season-long acquisition program, including advertising, direct marketing, and partnerships will be implemented for RedGate.

GUEST RETENTION PROGRAMS

BCG's Marketing Team will establish measurable, effective, and guest-focused Retention Programs that help to ensure RedGate's guests return and increase their visits, resulting in a more stable golf segment for growing revenues.

Communication: Establish and implement regular communication with guests via broadcast e-mail, direct mail, and telephone based on guest behavioral segment and guest type. With RedGate utilizing the Marketing Systems established by BCG for the club, they will be able to personalize communications based on:

- | | |
|---|---|
| ▪ guest type (local, visitor, group leader) | ▪ play behavior (volume, frequency) |
| ▪ geographic area (local, regional, national) | ▪ retention status (new, steady, at-risk, lost) |
| ▪ reservation behavior (initiator, player) | |

BCG will implement GRIP (Golfer Retention Improvement Program) at RedGate in order to increase the retention of guests to the club. Specifically, new golfers and steady golfers will each receive periodic e-mail messages. Segmenting of guests into these two categories will allow more appropriate messages to be delivered to guests, based on their past and potential interactions with RedGate.

SALES PROGRAMS

BCG's Marketing Team will establish measurable, effective, and guest-focused Sales Programs that help to ensure that guests continue to visit RedGate.

- **Staffing:** Establish designated individuals on-site to manage the sales process for all events, including outings and banquets. Specific assignment of sales responsibilities will be made by BCG in our Annual Business Plan.
- **Sales System:** As previously mentioned, BCG will establish Salesforce; an electronic sales management tool for lead generation, management, and closing for group sales.
- **Outing Sales:** The outing salesperson will actively seek group outings and tournaments via web site leads, community and vendor partners, and events held at competitive golf courses.

Active marketing of outing sales will be done with existing daily-fee guests as well as leaders of organizations and businesses in the local/regional area.

QUALITY ASSURANCE PROGRAMS

Utilizing ACE™ – The Guest Experience, BCG's Marketing Team will establish measurable, effective, and guest-focused Quality Assurance Programs that help to ensure the guest's experience matches the brand promise established through marketing, sales, and PR programs.

ACE™ is the bedrock of the BCG Mission Statement:

"I am part of a team prepared to create fun and enjoyment for our guests. My positive attitude is my responsibility. I choose to create loyal guests with my team, my attitude, and my actions." Each team member signs a pledge and knows that our relationship with our guests is our number one priority.

The following programs will be implemented at RedGate to receive feedback that allows management to best train staff to exhibit the brand promise as well as BCG's ACE™ commitment. Results will be used to improve the experience for the current guests, prospective guests and to train employees.

Guest Surveys and Feedback: BCG will implement guest surveying and feedback mechanisms to maintain a constant understanding of how well we are doing at meeting guests' needs. Both a toll-free guest comment line and web e-mail forms will be established.

- **Mystery Shopping On-Site Visits:** BCG will implement a regular Mystery Shopping program with independent, unbiased guests rating their experience based on how BCG trains our employees to deliver that experience.
- **Mystery Telephone Sales Calls:** BCG will implement a regular secret shopper sales calls program to test response times and information provided of sales people.

This five-part strategy of Marketing Systems, Guest Acquisition Programs, Guest Retention Programs, Sales Programs and Quality Assurance Programs, is successfully implemented at all BCG-managed golf facilities nationwide, and will be introduced to achieve appropriate market share for RedGate. Specific marketing strategies in each revenue area are outlined below.

Daily Fee Strategic Initiatives	Daily Fee Golf - Action/ Steps
Create and enhance loyalty programs	<ul style="list-style-type: none"> • Establish selling objectives and measurable goals. • Create a product to increase rounds per guest from one to two to five. • Continue to grow RedGate Tournament Players Club (RTPC) • Create selling “script” to help with counter sales of the programs.
Develop Player Development Program (PDP)	<ul style="list-style-type: none"> • Improve practice facilities to grow twilight play. • Market through emails, print media and word of mouth. • Use contests and tracking to motivate assistants and shop staff. • Utilize local retailers to help promote our program
Improve weekday tee-sheet utilization	<ul style="list-style-type: none"> • Monitor “slow” periods and direct market to fill these times. • Create incentives that will help direct traffic. • Use Rockville Cable Channel 11, Washington Post, The Gazette and local papers to advertise best offers. • Utilize space in Groupon to offer deals to golfers.
Third Party Marketing	<ul style="list-style-type: none"> • Utilize BCG's unique relationship with Golf Now to increase public play by offering “best offer”. • Work with BCG's Golf Revenue Manager to capitalize on “slow” periods on tee sheets with Golf Now, Active Network, Tee Time Watch and GolfSwitch.
Outing Strategic Initiatives	Outings/Tournaments - Action / Steps
Sell 5 new full field golf tournaments and 5 new smaller golf outings.	<ul style="list-style-type: none"> • Use Sales Force to follow up on all incoming leads. • Be price competitive, by finding out where they were and how much they paid in the past and existing offers.
Increase existing outing revenue by increasing pro shop sales.	<ul style="list-style-type: none"> • Use our “Added Value for Tournament” tools, which includes giving hole in one contests to client if they spend \$5/player in pro shop. • Utilize relationship with Golf Invite to enhance outing offerings.
Retain existing golf outings for 2012.	<ul style="list-style-type: none"> • Send thank you gifts and notes to all tournament chairmen. • Invite all past tournament chairmen to VIP Tournament. • Follow up with all tournament chairmen to “close deal” and do a contract for the next three years. • Offer 2011 pricing for 2012 outings booked by February, 2012.
RedGate Tournament Players Club (RTPC) Program.	<ul style="list-style-type: none"> • Continue to enhance program offerings with variety of events. • Improve player participation • Create “Club experience” for participants
Annual Pass Strategic Initiatives	Annual Pass/Membership - Action / Steps
Annual Pass Program	<ul style="list-style-type: none"> • Promote program to existing customers • Utilize space in Gazette and other local newspapers as well as on Rockville Channel 11 to attract prospective new guests.

Daily Fee Strategic Initiatives	Daily Fee Golf - Action/ Steps
Implement RedGate Rewards Card	<ul style="list-style-type: none"> • Continue to add benefits for Rewards Card holders so they see the value in paying for Rewards Card. • Adding more in house member tournaments for Reward Card Holders only and their guests. • Make Reward Card Holders feel special through birthday recognition and segmented offers.

F&B Strategic Initiatives	F&B Action / Steps
Add events (possible ideas)	<ul style="list-style-type: none"> • St. Patrick's Day Event • Derby Event in May • Summer Brunch • Theatre Nights on the Ranges with cookouts
Increasing lunch business bundling offers.	<ul style="list-style-type: none"> • Offer Green Fee, Cart Fee & Lunch deals. • Provide 10% off coupons for outing rounds.
Expand use of Food & Beverage facilities through targeted event promotions	<ul style="list-style-type: none"> • Create Social Event Calendar to include Family Night, Nine and Wine, Couples mixer, etc. • Use Sales Force to follow up on all incoming leads.
Promote RedGate Grill as alternative lunch and happy hour venue	<ul style="list-style-type: none"> • RedGate Grill could be an attractive affordable lunch alternative for Rockville residents and area businesspeople • Cross promote driving range with lunch and happy hour

Range Strategic Initiatives	Range Action / Steps
Expand Range and improve presentation	<ul style="list-style-type: none"> • Supplement Rockville Park's programs with individual and group instruction. • Market new range. • Promote play opportunities in our Junior play and instruction at RedGate.
Create a Ladies Clinic Series	<ul style="list-style-type: none"> • Utilize BCG's sponsorship of the Executive Women's Golf Association.
Player Development Program (PDP)	<ul style="list-style-type: none"> • Create a monthly fee structure for RedGate. • Offer unlimited range balls and discounted twilight play.

Marketing Strategic Initiatives	Marketing Action / Steps
Change to EZlinks System	<ul style="list-style-type: none"> • Transition from current POS to EZLinks.
Data Capture	<ul style="list-style-type: none"> • Maintain a data capture rate of 90%. • Use the EZLinks system to take advantage of the “Marketing Engine” • Use the guest data to better segment geographic distribution so we can improve our target marketing.
Public Relations	<ul style="list-style-type: none"> • Work with Buffalo communications to improve our PR and take advantage of events and accolades of RedGate. • Capitalize on capital investment, changes and improvements to RedGate.
Third Party Marketing	<ul style="list-style-type: none"> • Utilize BCG’s unique relationship with Golf Now to increase public play by offering “best offer”. • Work with BCG’s Golf Revenue Manager to capitalize on “slow” periods on tee sheets with Golf Now, Active Network, Tee Time Watch and GolfSwitch.
The Buffalo Golf Trail (BGT)	<ul style="list-style-type: none"> • Access into the 2nd largest public golf network in the country. • Allow for reciprocal special rates across the BCG portfolio. • Create an added value for loyal guests at RedGate.

SAMPLE

MEDIA & PUBLIC RELATIONS

BCG will **publicize and manage media relations for RedGate** utilizing the skills and resources of Buffalo Communications (“Buffalo”), BCG’s in-house, golf-exclusive P.R. agency.

Buffalo’s full-time golf publicists who leverage their longstanding media contacts to consistently well-position our facilities in the news. **Public Relations Manager, Nick Lashinsky**, will direct our public relations efforts for RedGate.

Buffalo will develop and implement in concert with the Marketing Plan an **aggressive, comprehensive and on-going local, regional, and national publicity campaign** to expose RedGate as a “must play” in the region. Buffalo’s publicity plan includes writing a series of newsworthy and timely press releases, pitching feature stories, securing reviews of RedGate, and ghostwriting articles lauding golfers’ high-quality experiences at RedGate. Buffalo’s wordsmiths will position RedGate to be consistent with the themes of other marketing initiatives.

Buffalo will work closely with the Manager to **integrate him with local media** in an effort to further engage RedGate in much-desired publicity and media coverage. Buffalo’s publicists will schedule golf course reviews to coincide with optimal course conditions, promote special events where media attendance is desired, and retain close contact with media writers and editors in order to **ensure optimal placement and coverage**.



Specific Promotions



BCG will have installed and manage the **EZLinks POS and Tee Time Reservation System** that integrates telephone, Internet, golf shop, and hotel/packager reservation booking groups through one reservation portal, as well as provides for complete capture of guest data and playing activity on the tee sheet. The guest making a reservation will be guided through a simple, efficient data capture process, and his/her reservation, playing, and purchasing history will be saved for analysis.

BCG will establish a **FREE Player's Card/Golf Rewards Card** for all golfers to carry and use in order to maximize their connection to the facility. The card will track each guest's play; act as an incentive for repeated plays well as improve the speed of check-in for the guest. This card will be tied to a specific rewards or discount program to be determined.

BCG will **expertly analyze and use this valuable data to develop specific marketing programs and promotions** to maximize tee sheet utilization, thereby enhancing rounds and revenue. Examples of such programs include:

- Targeting players during statistically under-utilized times (i.e., weekday early bird rate special e-mailed and mailed to golfers who play the golf course on weekdays, but have not in the past thirty days);

Offering package-based offers to guests who are more likely to make retail and F&B purchases (i.e., lunch and golf package rate special e-mailed and mailed to golfers who typically play during the mid-day hours); and creating programs targeted only to golfers who play the course infrequently (i.e., 1-2-3-FREE, Play 3 times in X time period, and receive your 4th round for Free).



Specific promotions and programs will be developed for RedGate based on historical and future play and reservation data.

C. OPERATING EXPERIENCE/PROJECT TEAM'S QUALIFICATIONS

BCG OVERVIEW

BIDDER INFORMATION

Name of Party: Billy Casper Golf, LLC

Address: 8300 Boone Boulevard, Suite 350
Vienna, Virginia 22182

Telephone: 703.761.1444

Fax: 703.893.3504

Federal Tax ID: 86-1092316

Date of incorporation: December 2003

State of incorporation: Virginia

Officers: Peter M. Hill, Chairman, CEO, & Treasurer
Robert C. Morris, Vice Chairman, & Secretary

Shareholders: Peter M. Hill, Herndon, VA – 50%
Robert C. Morris, Great Falls, VA – 50%

Billy Casper Golf is a Limited Liability Corporation (LLC) with Date Articles of Organization for the Corporation filed in the Commonwealth of Virginia in December 2003. Prior to the formation of Billy Casper Golf, LLC ("BCG, LLC"), Billy Casper Golf Management, Inc. ("BCG, Inc.") was formed in 1989 and has been continuously doing business and performing golf management services since that time. BCG, LLC was formed for the purpose of performing the same golf management services as BCG, Inc., but limited to golf management engagements entered into after December 31, 2003. The formation and operation of BCG, LLC is in response to corporate tax-planning initiatives only; this arrangement in no way limits the obligation or requirements of BCG, Inc. or BCG, LLC under any third-party agreement for golf management services.

OUR PRINCIPALS

BCG is led by a team of two principal executives. Together, this team directs and oversees the firm's business activities.

Peter M. Hill, Chairman and Chief Executive Officer

Mr. Hill is a co-founder of Billy Casper Golf and has served as its Chairman and CEO since the firm's inception in 1989. He is responsible for oversight of all assets owned and managed by the firm. He directs corporate affairs for BCG's consolidated business operation, including corporate finance, strategic planning, staff development, and business development. Mr. Hill serves on the National Employment Committee of the PGA of America, and is active on boards and committees for the Golf Course Superintendents Association of America, National Golf Course Owners Association, and other industry groups, and is ranked the 4th Most Powerful Person' in the golf industry by *Crittenden's Golf, Inc.* Prior to BCG, Mr. Hill was in the financial advisory business. He is a graduate of Georgetown University and holds an MBA from Columbia University.



Robert C. Morris, Vice Chairman

Mr. Morris is a co-founder of Billy Casper Golf and has served as its Vice Chairman since inception in 1989. He is responsible for oversight of all marketing, sales, public relations, and player development efforts of the firm. He directs business development affairs for BCG, including acquisition of management agreements. Mr. Morris is an active participant in the Golf 20/20 and other industry player development initiatives. Prior to BCG, Mr. Morris managed the careers of several golf touring professionals and champions. An accomplished player on the international golf circuit, he is currently ranked in the Top 10 senior amateur golfers worldwide. Mr. Morris is a graduate of the University of Maryland.



SENIOR MANAGEMENT

BCG'S Mid-Atlantic Region is led by a team of senior managers:

- **Senior Vice President, Joe Livingood**
- **Vice President of Operations, Joel Gohlmann**
- **Regional Superintendent, Dan Evers**

This highly qualified Team will serve as BCG's primary personnel to oversee the management and operation of RedGate. Oversight of all operations will be provided by Senior Vice President, Joe Livingood and BCG will work closely and report as needed to the City to ensure that the facility complies with all local, state, and federal regulations, and that the anticipated needs and goals of the City are being met.

Mr. Livingood directs the firm's oversight of golf facilities in the Mid-Atlantic, Central Mid-West, North-East and Southeastern United States, with overall responsibility for the performance of the facilities in those regions. He and his team of regional vice presidents and managers lead BCG's facilities' annual planning process, staffing plans, daily operations, and client reporting. In addition, Joe has oversight for the Human Resources Department at BCG. A 18+ year veteran of the golf course management industry, Joe is a graduate of James Madison University.

Mr. Gohlmann, based in Reston, VA, directly oversees BCG's Mid Atlantic / Virginia region to include all aspects of management and operation of golf facilities. Prior to BCG, he managed golf facilities in Virginia, Michigan and Minnesota. He is a graduate of Mount Mercy College, Iowa.

Mr. Evers, based in Reston, VA, has more than 16 years of experience in the golfing industry. Dan has worked with BCG since 1999. His course experience ranges from Greens Staff to Grow-In / Maintenance Superintendent to his current position as Mid Atlantic Director of Agronomy. Mr. Evers holds a Certificate of Golf Course Management from University of Maryland Institute of Applied Agriculture.

BCG's ability to source and hire high-quality employees for key positions during quick start-ups and transitions is exceptional. **Having completed more than 75 transitions and seven new course start-ups in the past five years**, BCG's experience with and ability to build a successful on-site team is unmatched in the industry.

BCG's corporate office is located in Virginia, however, corporate staff regularly visit our other managed courses in our portfolio to provide oversight and will do the same for RedGate.

Joseph D. Livingood

Senior Vice President, Billy Casper Golf, Vienna, VA (2002-Present)

- Direct the firm's oversight of managed golf facilities in the Mid-Atlantic, Southeastern, and Mid-Western United States, encompassing the public and private properties in 11 states, including two municipal portfolios: the 12-facility Forest Preserve Golf (IL) and the 7-facility Cincinnati Golf (OH).
- Supervise five field-based regional vice presidents and regional managers.
- Manage the firm's contractual obligations, annual planning, reporting, client communication, and financial results for each facility.
- Negotiate and develop company-wide policies and programs for national vendor accounts in retail golf shop merchandise, food and beverage products, insurance, and technology systems.
- Oversee golf course development and renovation projects, having overseen the development and opening of six new golf courses since 1997 and numerous multi-million dollar renovation projects.
- Direct the firm's golf course technological systems, including accounting, reservation, and POS systems; networks and communications; and operational functions.



Vice President of Operations, Billy Casper Golf, Vienna, VA (1998-2002)

- Oversaw daily operations of ten managed golf facilities in five states, including golf operations, food and beverage, maintenance, marketing and sales, personnel management, accounting, capital improvements, budgeting, merchandise buying, inventory control, golf course equipment and cart procurement, and financial reporting.
- Forecast cash flow and developed strategic positioning for, and supervised General Managers and Superintendents of each facility

EDUCATION: B.S., James Madison University, Harrisonburg, VA

Joel C. Gohlmann

Vice President of Operations (2010 – Present)

Regional Manager/Billy Casper Golf, Virginia Region, (April 2005-2010)

- Oversee daily operations of BCG-managed golf facilities in Virginia, including golf operations, food and beverage, maintenance, marketing and sales, accounting, personnel management, capital improvements, budgeting, merchandise buying, inventory control, golf course equipment and cart procurement, and financial reporting.
- Oversee financial operations of all regional facilities.
- Forecast cash flow and develop strategic positioning for each facility.
- Manage contractual obligations, annual planning, reporting, client communication, and financial results for each facility.



Regional Director/American Golf Corporation, Mid Atlantic Region, Virginia and Ohio areas (Nov 2002 – Mar 2005)

- Oversee financial operations of over \$14 million dollars in revenue at eight
- Directly work with General Managers to develop leadership skills, team building and a sales culture throughout their properties.
- Maintain relationships with landlords and municipalities to ensure a feeling of partnership and overall satisfaction with our managerial teams.
- Develop plans and oversee all capital improvement spending at properties.

General Manager/American Golf Corporation, Kiskiack Golf Club, Williamsburg, VA (Mar 1999 - Oct 2002)

EDUCATION: B.B.A., Business Management and Marketing, Mount Mercy College, Cedar Rapids, Iowa

Dan Evers

Mid Atlantic Director of Agronomy, Reston, VA, Billy Casper Golf, (2008-Present)

- Oversee and direct maintenance staff for Mid-Atlantic courses which includes hiring, training, promoting, and firing employees, overseeing Best Management Practices for all facilities, and assisting in maintaining all state and federal permits and licensing requirements.
- Create and implement budgets, programs, and policies for golf courses in Mid-Atlantic region as well as other due diligence work for possible new acquisitions.



Mid-Atlantic Regional Superintendent, Reston, VA, Billy Casper Golf, (2005-2008)

- Oversee Golf Course Maintenance Operations for six courses.
- Plan, budget, prepare bids, hire and oversee contractors for capital projects
- Coordinate projects start to finish ensuring that budget/timetable is met.
- Work with vendors to acquire group pricing, employee training, and various other aspects associated with the maintenance of a golf course

Grow-in Superintendent/Maintenance Superintendent, Compass Pointe Golf Courses, Pasadena, MD, Billy Casper Golf (2002 – 2005)

- Oversee new construction and grow-in/maintenance of approximately 550 acre 36 hole public golf facility.
- Forecast and track all labor/expense spending
- Work directly with Golf Course Assistant Superintendent and Forman to ensure excellent course conditioning and playability.
- Co-ordinate vendors and compare all equipment, course accessories, and other opening and maintenance related purchases.
- Hire and train staff of 32. Keep up to date with safety programs to minimize breach of safety incidents.

Golf Course Superintendent, Eisenhower Golf Course, Crownsville, MD, Billy Casper Golf (2002)

Golf Course Superintendent/Assistant Superintendent, Springwood Golf Club - York, PA, Billy Casper Golf, LLC (1999 – 2002)

EDUCATION: University Of Maryland
Institute of Applied Agriculture, Certificate of Golf Course Management

CORPORATE SUPPORT – REDGATE TEAM

BCG's corporate personnel provide professional management services, including personnel management; oversight of all golf, retail and F&B operations; budgeting, accounting and financial statement preparation; development and implementation of marketing, publicity, sales, and promotional activities. Team members assigned to oversight and support of RedGate are highlighted.

Emily Trakas

Regional Marketing Director, Billy Casper Golf, Vienna, VA (2010)

Ms. Trakas develops and implements marketing and sales programs for BCG's golf facilities in the Mid Atlantic. Prior to BCG, she was a senior sales and marketing consultant in the pharmaceutical industry. She is a graduate of the University of Virginia and holds a master's degree from West Virginia University.



Katie M. Barongan, SPHR

Vice President, Human Resources, Billy Casper Golf, Vienna, VA (2002-Present)

Ms. Barongan directs all corporate and club human resource matters, including staffing, benefits, employee relations and employment law. Prior to BCG, she served in human resources roles for Deloitte & Touche and Cap Gemini Ernst & Young. Ms. Barongan is a graduate of Virginia Polytechnic University, and is a Certified Professional in Human Resources (SPHR).



Stephen Nicholson, CPA

Senior Accounting Manager, Billy Casper Golf, Vienna, VA (2005-Present)

Mr. Nicholson oversees day-to-day financial matters for several of BCG's managed golf facilities. He is responsible for handling of clubs' general ledger, accounts receivable, accounts payable, cash management and payroll functions. Prior to BCG, he served as a Director of Finance with several non-profit associations. Mr. Nicholson is a graduate of Fairmont State University.



Dave Williams

Vice President, IT/IS, Billy Casper Golf, Vienna, VA (2011)

Mr. Williams directs BCG's Information Technology and Systems, including national and regional support, management and data systems, and computer security. Prior to joining BCG in 2011, he worked in IT for a major insurance company, including establishing and running its Internet Business Unit for six different lines of business. Mr. Williams is a graduate of the University of Maryland.



Bob Geppert

Transition Manager, Billy Casper Golf, Vienna, VA (2001 – Present)

Mr. Geppert travels to each new BCG facility overseeing its transition into the BCG portfolio. Bob works with the General Managers to ensure that each facility meets the expectations of both BCG and our client. He has worked in the golfing industry since 1996 and has extensive experience operating municipal golf courses as well as transitioning properties.



COMPANY OVERVIEW

Billy Casper Golf, LLC ("BCG") was founded in 1989 by Peter M. Hill and Robert C. Morris in cooperation with PGA Tour legend Billy Casper, two-time U.S. Open winner and Masters Champion.



Headquartered in Northern Virginia, the firm maintains **regional offices across the U.S.**, giving BCG a corporate presence in California, Florida, Hawaii, Illinois, New York, New Jersey, Ohio, Tennessee, Texas, and Virginia, currently managing the golf courses for **26 golf facilities in the Mid Atlantic region, 13 of which are located in the Baltimore-Washington Metropolitan Area**, providing us with the experience to provide RedGate with the best service and conditions possible.

BCG is among the nation's leading golf course management firms, and **the expert in golf course development, renovation, operations, and marketing**. We provide complete, full-service facility and business management, golf course maintenance, sales and marketing, development and consulting services to owners of public and private golf courses nationwide.

BCG has **significant experience and a successful track record** in the **construction and operation of golf facilities**, including upscale resort destinations, publically-owned courses, multi-course portfolios, and all sizes and types of golf courses – 9, 18, 27, and 36 holes – public, daily-fee, semi-private, private, practice, and resort. Currently, **BCG manages more than 125 facilities throughout the United States and Costa Rica; 75+ of which are municipal facilities**. Combined, these facilities host in excess of **4 million rounds of golf** annually (approximately 11,000 per day), played by more than **650,000 guests** who are treated to a fun and enjoyable golf experience by our team of approximately **7,000+ employees**.

Selected Accolades

BCG's focus is on offering the best golfing experience to our customers and delivering the expected financial results to our clients, our managed courses are often honored for their outstanding conditions and layouts, primarily because of our Team's efforts. Following is a sample of major awards and accolades:



- "Peter Hill, CEO: 4th 'Most Powerful Person in Golf' – *Golf, Inc.* 2010
- "Management Company of the Year." – *The Boardroom Magazine*
- "One of the most progressive and well-run organizations in golf." – *Golf Business Magazine*
- "[BCG's] influence stretches from the East Coast to Hawaii." – *Golf, Inc.*
- "BCG's sound management practices and expertise are hard to beat." – *Golfweek SuperNews*

BCG FACILITIES

BCG manages more than 130 facilities throughout the United States and Costa Rica, including several multi-course portfolios, and all sizes and types of golf courses – 9, 18, 27, and 36 holes – public, daily-fee, semi-private, private, practice, and resort. Unless otherwise noted, the golf facility is 18 holes. More information about any of our courses is available upon request.

MID-ATLANTIC U.S.**Delaware**

- Delcastle Golf Club, Wilmington, DE (*public*)
- Porky Oliver Golf Course, Wilmington, DE (*public*)
- Rock Manor Golf Course, Wilmington, DE (*public*)

District of Columbia

- Armed Forces Retirement Home Golf Course, Washington, DC (*public, 9*)

Maryland

- Anne Arundel County, MD
 - Compass Pointe Golf Courses, Pasadena, MD (*public, 36*)
 - Eisenhower Golf Course, Crownsville, MD (*public*)
- Chestnut Ridge Country Club, Lutherville, MD (*private*)
- Ocean Pines Golf & Country Club, Ocean Pines, MD (*semi-private*)
- P.B. Dye Golf Club, Ijamsville, MD (*daily-fee*)

Virginia

- 1757 Golf Club, Dulles VA (*public*)
- Heritage Hunt Golf & Country Club, Gainesville, VA (*private*)
- Ocean View Golf Course, City of Norfolk, VA (*public*)
- Prince William County, VA
 - Forest Greens Golf Club (*public*)
 - General's Ridge Golf Course (*public*)
 - Prince William Golf Course (*public*)
- Reston National Golf Course, Reston, VA (*daily-fee*)
- The Osprey's Golf Club, Woodbridge, VA (*daily-fee*)
- Virginia Oaks Golf Club, Gainesville, VA (*semi-private*)
- Westham Golf Course, Richmond, VA (*daily-fee*)

Pennsylvania

- Butler's Golf Course, Elizabeth, PA (*public, 36*)
- Jack Frost National Golf Club, Blakeslee, PA (*public*)
- Lederach Golf Club, Lederach Township, PA (*public*)
- City of Philadelphia, PA
 - City Line Sports Center, Philadelphia, PA (*public*)
 - Cobbs Creek Olde/Karakung Golf Course, Philadelphia, PA (*public, 36*)
 - F.D.R. Golf Club, Philadelphia, PA (*public*)
 - John F. Byrne Golf Club, Philadelphia, PA (*public*)

SELECT BCG MUNICIPAL GOLF COURSES OUTSIDE THE MID ATLANTIC REGION

BCG provides the following municipal golf client list to affirm our experience, knowledge, longevity and success in working with our municipal partners. The year indicates the inception of our agreement followed by the type of management arrangement with each public agency.

- Forest Preserve District of Cook County, Illinois (12 Courses), 2002, Lease
- City of Chicago, Illinois (7 Courses), 2009, Management
- Cincinnati Recreation Commission, Ohio (7 Courses), 2003, Hybrid-Lease
- City of Victorville, California (2 Courses), 2010, Management
- City of Tulsa, Oklahoma (2 Courses), 2007, Management
- City of Knoxville, Tennessee (2 Courses), 2006, Management
- Prince William County, VA (3 Courses), 2011, Management
- Village of Worth, Illinois, 2010 Management
- Fox Valley Park District, Illinois, 2009, Lease
- City of Jacksonville, Florida, 2005, Hybrid-Lease
- Panorama Village, Texas, 2005, Management
- Town of Falmouth, Massachusetts, 2005, Hybrid-Lease
- City of Rome, Georgia, 2004, Management
- Evesham Township, New Jersey, 2004, Management
- Hudson Hills Golf Course, Ossining, New York, 2004, Hybrid-Lease
- City of Gadsden, Alabama, 2004, Management
- Town of Wintonbury, Connecticut, 2003, Management
- City of Springfield, Tennessee, 2001, Management
- Borough of High Bridge, New Jersey, 1998, Management
- City of Oak Ridge, Tennessee, 1997, Management



Rock Manor Golf Course, Wilmington, DE

COMPARABLE EXAMPLES

BCG presents **examples of management experience** that uniquely qualify BCG to partner with the City of Rockville in the operation of RedGate.

Page Belcher and Mohawk Park Golf Courses

Location:	Tulsa, Oklahoma
Size/Type:	36-Holes each
Annual Rounds:	~ 110,000 combined
Operated Since:	2008
Agreement:	Management
Budget:	Revenues ~ \$2.6 million
Responsibilities:	Full-Service Management
Example:	Transition & Revenue Growth



Billy Casper Golf has managed Page Belcher and Mohawk Park Golf Courses for the City of Tulsa since 2008. After several years of unsuccessful concession arrangements with local golf professionals, the City selected BCG to operate the courses. Prior to BCG's involvement, there was serious discussion that closing holes at the golf courses would be a viable solution for these money-losing recreational assets.

Both BCG and the City view the initial years of management as a huge success, with BCG delivering more than what was expected. Both rounds played and revenue received has increased significantly, and BCG has provided nearly a million dollar improvement to the bottom-line for the City.



BCG's on-site management team, working closely with regional operations, marketing, and agronomic personnel, have enhanced course conditions, improved guest services, and right-sized spending – all while offering consistently- solid playing conditions along with fun and enjoyable experiences.

According to the City Budget and Planning Manager, **“Through their (BCG) marketing efforts and improved course maintenance program, the number of rounds played at city courses in 2009 has increased by 45 percent over 2008 and this year the city golf course revenues are covering the courses’ operating cost for the first time in many years.”**

Cincinnati Recreation Commission Golf Courses

Location: Cincinnati, Ohio
Size/Type: 7 golf courses (3 27-Holes, 2 18-Holes, 2 9-Holes), Municipal
Annual Rounds: ~ 300,000
Operated Since: 2003
Agreement: Management / Concession
Responsibilities: Full-Service Management (All)
Budget: Revenues ~ \$8 million
Example: **Transition & Revenue Growth**

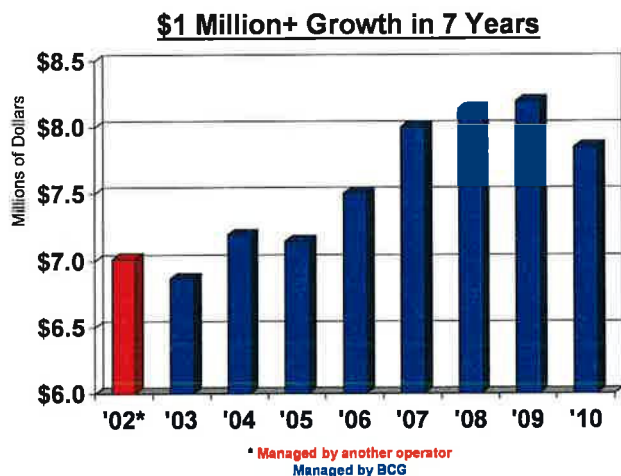


The Cincinnati Recreation Commission provides one of the nation’s best parks and recreation programs, including a **seven (7) golf course portfolio**. In mid-2002, after 5 years of declining revenue under another national management firm’s operation, the City sought a new direction.

Through a competitive RFP process, the City changed management firms, selecting Billy Casper Golf to manage this portfolio of courses and reverse the portfolio’s declining economic trend. Beginning in the late fall of 2002, BCG’s corporate operations, maintenance, and marketing team traveled to Cincinnati to **work with the existing managers and staff to build a new culture** of ‘Revenue, Service, and Quality’ and to **transition the operations** to BCG.



All full-time permanent staff members were retained during the transition, with only the portfolio’s General Manager changing. A **300+ item punch-list of transition items** was completed for each of seven courses in less than two months, changing all legal, financial, operational, marketing, and personnel management aspects of the facilities.



BCG began operation of the courses on January 1, 2003. Course and facility conditions were improved immediately – customer feedback was **“best ever.”** A new Regional Superintendent position was created to direct and train the seven courses’ individual Superintendents. Management of the portfolio was improved, combining two positions – General Manager and Director of Golf – into one, putting more responsibility on each of the course’s Head Golf Professionals to successfully manage their golf operation. Finally, two new positions not previously had in Cincinnati – a Marketing Director and a

Sales Director – were created and staffed with two highly qualified individuals who solely focus on increasing rounds and revenue throughout the portfolio. **All of this occurred in the first 90 days of operation.**

Chicago Park District

Location:	Chicago, Illinois
Size/Type:	One 18-hole and Five 9-hole Golf Courses, and One Driving Range,
Annual Rounds:	~ 150,000 combined
Operated Since:	2009
Agreement:	Full Service Management
Responsibilities:	Grow-In, Full-Service Management (All)
Budget:	Revenues ~ \$ 4.1million
Example:	Revenue Growth



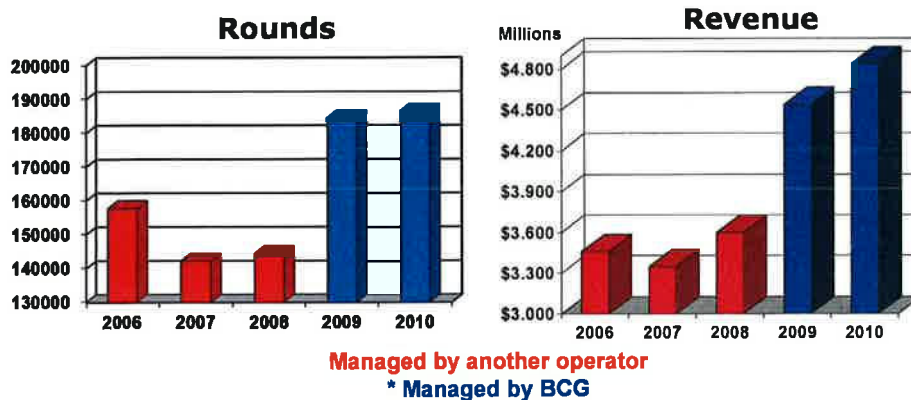
The Chicago Park District (“CPD”) – the City of Chicago’s provider of parks, recreation, and natural preservation – owns an urban, municipal golf portfolio located within the city limits of Chicago. The seven golf courses and driving range’s conditions, service, and results had steadily deteriorated over the past several years, necessitating a change in golf management firms. Greens, fairways, and tees were in urgent need of a long-term agronomic plan to improve turf conditions; employees needed training in guest service; and the retail and food & beverage operations both required major overhauls.



Billy Casper Golf had an established reputation as a high-quality golf course operator with successful operations in the Chicagoland market – just the answer for which CPD was looking. BCG provided them an aggressive proposal in response to a national RFP and was selected to operate the golf courses for 15 years.

Now BCG-managed, the historic golf courses provide golfers an outstanding golf experience, including golf courses aggressively and professionally maintained, fully-stocked golf shops, snack bars with value-priced menus, on-course beverage service, and well-trained, helpful employees welcoming them back to the re-branded “Chicago Park District Golf.”

The immediate improvement to financial results in the first year of BCG management was staggering. In 2009, the **portfolio experienced a 30% increase in rounds played and revenue** over prior years’ (2006, 2007, and 2008) results.



Wintonbury Hills Golf Course

Location: Bloomfield, Connecticut
Size/Type: 18-Holes, Municipal
Annual Rounds: ~ 31,000
Operated Since: 2003
Agreement: Management
Responsibilities: Grow-In, Full-Service Management (All)
Budget: Revenues ~ \$2 million
Example: **Marketing, F&B**



Wintonbury Hills is located approximately 15 minutes north of Hartford, Connecticut. Since opening, BCG has successfully marketed the facility to **achieve budgeted revenue, rounds, and net operating income for the Town.** Known for its phenomenal conditions and service, the golf course continues to lead the market in acquisition and retention of golfers and events

BCG’s Buffalo Communications – our in-house P.R. agency – secured significant media coverage for the facility during its first two years of operation, including the **‘#23 Best New Golf Course in America’** and **‘#2 Best Golf Courses You Can Play in Connecticut’** ratings by *Golfweek*, and recently ranked **#11 Best Municipal Golf Courses in United States.’** As part of the facility’s overall marketing program, the P.R. coverage and ratings are used in direct mail, e-mail, and advertising communications with prospective and existing customers, with the impact of such communications tracked through direct response offers and surveying of customers.

Wintonbury Hills has a full-service restaurant and bar which is open year-round, despite the golf course closing for the snow-covered winter months. The restaurant serves breakfast, lunch, and dinner seven days a week, offers a Sunday Brunch, and hosts private parties, meetings, and small banquet events. BCG developed and implemented several programs and procedures to build and maintain **profitable a la carte and banquet/event businesses**, trained staff in procedures unique to operating successful food and beverage operation at golf clubs, and instilled the firm’s ‘Customer Experience Vision.’ Specific components of such programs and procedures include:

- Banquet Marketing and Sales Plan
- Food & Beverage Operation Policies and Procedures Manual
- Banquets and Events Policies and Procedures Manual
- Guest Services Guidelines
- Safe Food & Beverage Handling Techniques
- Kitchen Procedures
- Cooking and Presentation Training
- Alcohol Service Training

D. FINANCIAL CAPABILITY

BCG possesses and **can demonstrate the financial ability** to meet the terms of the proposed Agreement. BCG is a closely-held business that was founded in 1989 by its current Chairman, Peter Hill and Vice Chairman, Bob Morris. The firm recognizes the importance of demonstrating a secure and meaningful financial standing with its clients and creditors. BCG has consistently been able to satisfy the requirements of its numerous government clients and will continue to do so in the future. BCG's assets exceed \$29 million and its working capital exceeds \$6 million.

BCG will provide the City with supplemental financial information, if needed, at a later stage of the selection process. BCG provides the following references that can verify BCG's capabilities.

- **Joe Costa, Senior Vice President, Mid-Atlantic Commercial Banking**

- **Capital One Bank**

- 1680 Capital One Drive, 10th Floor
McLean, VA 22102
Telephone: 703-720-6515
Relationship: Banking

- **Gary Dorsch, Principal**

- **Allegiance Capital**

- 2000 West 41st Street
Baltimore, MD 21211
Telephone: 410-338-6314
Relationship: Capital

- **David Thinnes, National Sales Manager**

- **PNC Bank**

- 995 Dalton Ave
Cincinnati, OH 45203
Telephone: 513-455-9629
Relationship: Bank/Lease Financing

E. FINANCIAL REPORTING AND ACCOUNTABILITY

CONTROLS AND PROCEDURES

BCG possesses and can demonstrate **complete competency** in the areas of cost controls, accounting, cash controls, personnel management, property maintenance, safety, emergency management, budgeting and financial planning, and guest service, among many other areas.

COST CONTROLS

BCG handles purchasing at the firm's managed golf facilities through a series of **local, regional, and national procedures**. While daily purchasing authority lies with the General Manager, the Regional and Senior Vice Presidents play significant roles in the securing and maintenance of preferred pricing and terms from BCG's National Account Vendor partners.

All planned purchases are included in the facility's operating budget approved by the client, with unplanned purchases requiring approval from the Regional Vice President and/or client, depending on the circumstance. Following is a summary of BCG's Cost Control procedures:

Use of Approved Suppliers: BCG provides our facilities with a list of national account vendors and their pricing and terms. BCG receives purchasing history reports from these vendors listing all BCG-managed facilities with quarterly and YTD purchase totals. The Regional Vice President reviews the facility's General Ledger each month with the facility manager to ensure that the majority of purchases in specific categories are from approved suppliers.

Methods of Negotiating Favorable Pricing: BCG's Operations and Agronomy Teams provide national vendors in appropriate expense categories with the opportunity to become a preferred partner of the firm. Using our volume buying power and annual purchasing history, BCG establishes preferred pricing and terms from selected vendors.

Development of Product Standards: BCG consults with General Managers nationwide to determine which vendors provide the best products and service, and review sales histories to determine guest demand. These reports assist them in developing standards for product purchasing.

Products Delivered Matching Order: The General Manager, upon delivery of product, matches the purchase order and shipping documents, and then later compares those numbers to the invoice. All paperwork is maintained in the general ledger.

Monitoring of Purchases: Each order's invoice is processed through the facility's general ledger, including review and approval by the General Manager. The general ledger is maintained by BCG's Accounting Department, with detail reviewed by a Senior Accountant and the Regional Vice President.

Purchasing Authority: Each General Manager is granted purchasing authority for his/her facility within the approved annual budget and business plan. In limited cases, other department heads are given limited authority for specific planned line-item purchases based on his/her job responsibilities.

ACCOUNTING

BCG provides complete accounting and financial management services to assist the facility manager in the successful operation of his/her facility. BCG utilizes an established system for financial management at all BCG-managed facilities, taking into account any specific needs of the City, including the establishment and maintenance of consistent procedures for the collection, receipt and deposit of all revenues; cost estimating and reporting; maintenance and payment of invoices; and preparation of budgets and reports.

Management Entity: BCG establishes a separate incorporated management subsidiary for the operation and management of the facilities (e.g. RedGate Golf Management, LLC). The subsidiary's sole activity will be the management of RedGate. An operating account at a local bank will be established in the name of BCG's management entity all transactions will be handled through this operating account. The funds in the operating account are discrete to RedGate and are not commingled with any other BCG-managed facility's funds or BCG's funds. All accounting and general ledger functions are discrete to this subsidiary.

Security and Internal Controls: BCG implements a series of security methods and internal controls to prevent employee and guest theft, including POS security controls, cash handling and deposit requirements, video cameras, required receipts, random safe and drawer counts, random inventory counts, tee sheet/POS reconciliation, and payroll record verifications, among others.

Accounting Functions: The accounting and payroll functions are directed by BCG's Senior Accounting Manager Stephen, Nicholson, who is based in Vienna, Virginia. Mr. Nicholson will review and provide oversight of the general ledger, confirm deposits, and perform auditing functions, as necessary. Local accounting functions performed by the on-site bookkeeper and administrative assistant will include: writing all checks from the local operating account, maintaining the general ledger, and reconciliation of cash deposits. The General Manager will oversee these functions on a daily basis.

Reports: All revenue and expense records are available to the City at its request, with BCG providing daily, weekly, monthly, and annual reports to the City, as requested. Financial statements and reports are prepared and delivered in accordance with procedures and formats reasonably acceptable to the City, on an accrual basis and generally accepted accounting principles.

CASH CONTROLS

BCG's procedures for cash handling procedures make certain that internal controls are in place at all managed golf facilities to protect its financial assets.

Cash Banks: Each facility has cash banks for use in cash registers. These banks vary in number and value depending on the property, but cash banks are never to be used as petty cash. Cash banks must always be maintained at their starting values.

Daily Close: Reconciliation of daily sales and resetting of the Point of Sale (POS) system for a new day is done daily, allowing for comparison of daily sales activity as shown on reports from the POS to actual daily receipts of cash, credit cards, checks and gift certificates. If there is an error, verifying transaction details assist in identifying and fixing that mistake. If a close of any instance or day reveals an error in that instance or day, the manager (and only the manager) may open an additional instance to ring correcting transactions. Correcting transactions may include voids and re-rings to correct quantity or tender type errors. Correcting transactions are not to be used to account for cash overages or shortages unless the specific nature of the original error can be traced and documented. The daily close documentation includes a copy of each instance close report, a copy of the credit card batch settlement, each instance reconciliation worksheet, copy of all voids and the daily tender reconciliation (including a copy of the deposit ticket) and the daily closing checklist.

Daily Bank Deposit: Daily bank deposits are mandatory. The receipts are transported to the bank each day and deposited by walking into the bank and receiving a receipt or by depositing in the night depository when the deposit is made after hours. Under no circumstances are daily deposits to accumulate in the safe at the property. Either the Director of Golf (facility manager) or Assistant Golf Professional will prepare and deposit the daily cash and check deposit. The General Manager will serve as a back-up as necessary.

Controls and Limits on Petty Cash Purchases: Signature authority for on-site checks is given only to the General Manager, with purchasing authority given for minor emergency purchases and pre-approved C.O.D. deliveries. Petty cash is reconciled at least monthly, with random safe counts throughout the month. Petty cash disbursements and unplanned purchases are limited through proper budgeting.

Inventory Security and Controls: BCG implements a series of standard inventory security and internal controls at each managed facilities. Specifically, BCG installs security cameras throughout the facility, including the golf shop register, merchandise area, safe location, F&B register, and parking lot, with remote camera viewing and hard drive recording. Inventory count procedures are implemented, including having the 'hottest items' behind the counter and conducting (if need be) daily or shift counts of these items.

Receipt Controls: uses the 'Your Purchase Is Free Today If You Don't Receive A Receipt' program to prevent clerks from not ringing in guest purchases. Tee sheets, POS records, and starter sheets are compared on a regular basis to reduce non-paying guests on the course. And, for physical security, BCG adds cellular backups to all alarm systems and maintains tight security on who has access to alarm codes, keys, and POS logins.

Please see a Sample Report on the following pages.



BILLY CASPER G O L F

TO: Mark
FROM: Joe G, Bill R, Tony C, Alan A, Tom B
Mike B, Carrie D & Dan B
DATE: February
RE: Tri Mountain Golf Course / January Financial & Operational Report



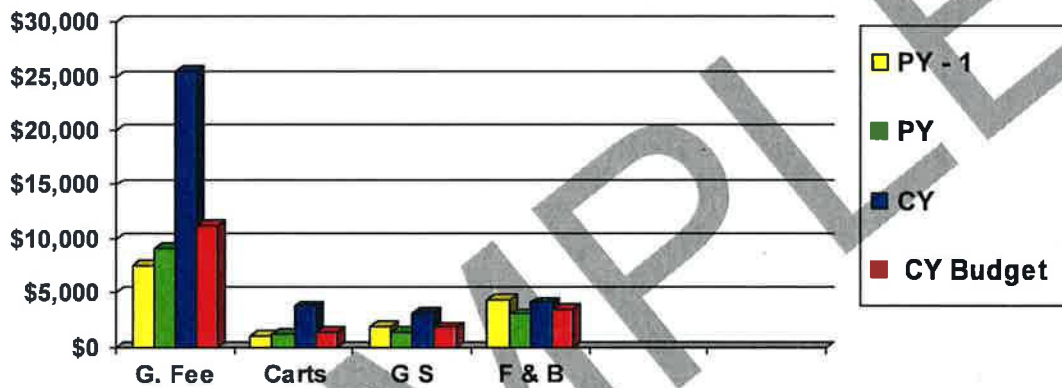
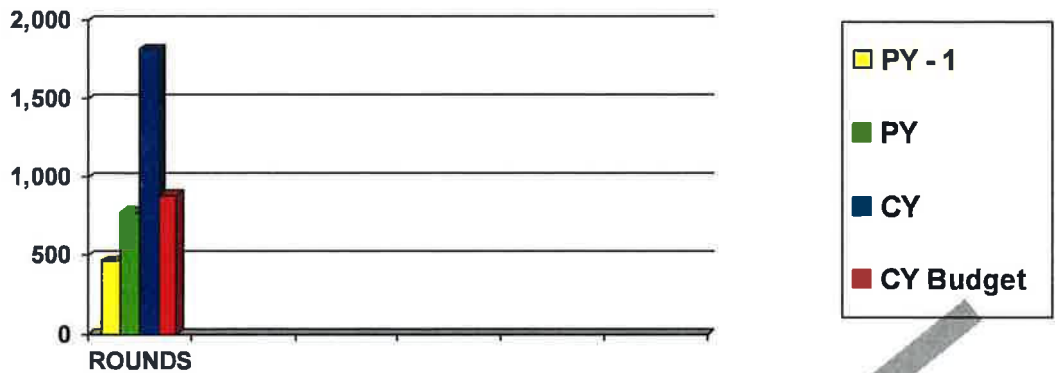
Practice Green / Saturday Morning

MONTHLY OPERATIONAL HIGHLIGHTS

On New Years Eve, Tri Mountain had snow on the golf course. That night, rain and warmer temperatures melted what was left and New Years Day the facility only had 17 golf rounds. The month then followed with great weather, average temperatures in the mid 40's and not one day in January had a frost delay. Over 12 days the sun was shining at Tri Mountain and the facility had 7 days with 100 rounds or more in the day. The biggest day was when the sun came out and shined on 174 golfers on Saturday January 23rd.

A great start to the year, all 18 holes are open and in great winter condition. The Pro Shop, Grille and Maintenance Teams are still smaller in team members do to the winter hours, but still pulled together very well over the busy days. Overall the total facility revenue was \$44,216, compared to a budgeted \$20,668. The best start the facility has had in over five years.

REVENUE / JANUARY



The past month of January, golf rounds, green fees and cart fees not only doubled budgeted numbers but also well exceeded the last two years. The past two years Tri Mountain only had nine holes available for play, still the month and year is off to a great start with all eighteen holes open this year . Green fees were above budget by \$11,162 and the golf rounds were above budget by 926 rounds.

The cart fees exceeded budget by \$2,410 and beat last year's total by \$2,523. The golf carts are on the path currently due to very wet conditions. Although we have not had as much rain as in the past years, the colder weather in December followed by heavy rains still has the fairways and roughs very wet.

The Golf Shop dollar per round was \$1.71 versus a \$2.00 per budget. The pro shop had a very strong month still with some after the holiday special orders and the last of the 2009 Book Money or Credits to be used. The Pro Shop sales exceeded budget by \$1,322.

The Food & Beverage revenue was \$4,057 in January versus a budgeted \$3,453. The alcohol sales were \$2,010 for January versus a budgeted \$1,229. The past month reflected higher round counts mixed in with a great \$4.00 Breakfast Special moved the Food and Beverage Sales over the budgeted line for the first month of the year.

MIKE / PGA HEAD GOLF PROFESSIONAL / JANUARY

Tri Mountain hosted 64 Event Rounds in January on two Saturday mornings. The Winter Series Events planned this past season was a great success. Six total events were planned and one had to be cancelled do to weather. In January the two Saturday events that took place rain and cloudy skies set in and set up the day for a low round and revenue total. The smaller events that were planned still had 32 players arrive for events, green fees, pro shop merchandise and food and beverage sales did well on these days that would have been quiet because of weather.



Hole #15 Green / End of the Month

January was an important month as almost \$100,000 in Outings and Tournaments were booked for the Golf Season. It was the first of three really important months of planning golf outings and tournaments that take place from mid April through mid October. This is a strong focus as well as planning and finalizing all Men's and Women's Club Golf Events, their Golf Season starts on March 1st for posting golf rounds with the Oregon Golf Association.

CARRIE / PGA 1st ASSISTANT GOLF PROFESSIONAL / JANUARY

First I would like to introduce myself. My name is Carrie and I started with Tri Mountain back in October 2009. I was born and raised in Bend, OR and attended Gonzaga University where I played competitive golf for four years. In 2006 I moved to Olympic Valley, CA to become the 1st Assistant Golf Professional and Ski Manager for The Resort at Squaw Creek. While down in CA I finished my PGA certification to become a Class A PGA Professional. After three and half years in CA, I was looking to move back to the Pacific Northwest and when the opportunity arose to become a part of Tri Mountain and Billy Casper Golf, I was excited for the new opportunity and a chance to come back to the Pacific Northwest.

January was a very successful month not only for the golf course but for me as well. I was able to attend a Women's Club meeting and excited for the season to start on March 28th. As well as being a liaison for the Women's Club, I also become the Ridgefield High School Women's Golf Coach. This will be my first year coaching and I am excited for the new opportunity.

With a new season for Tri Mountain and my first, I am looking forward to all of the new inventory to arrive and for spring to be upon us. I am excited for all of the new opportunities Tri Mountain has to offer and looking forward to what the golf season will bring.

DAN / GCSAA SUPERINTENDENT / JANUARY

In spite of the wet weather in January, maintenance staff has been keeping busy winterizing equipment, sharpening reels, sharpening bed knives, and painting course equipment. Mowing greens, tees and fairways has been a challenge in January do to the wet/warmer weather, but all grass is in good conditions. Greens are in great shape, little winter disease, such as pink snow mold or common name Fusarium has been present but not out of control.

While temperatures have been warmer, much rainfall still occurred in January. Beginning of the year we had 6.75 inches of precipitation while normal rainfall would be 5.85 inches. The Pacific Northwest along with the all of the West Coast has been in a weather pattern called El Nino. This is sea surface temperatures characterized by unusually warm weather and high amounts of precipitation. Tri Mountain Golf Course experienced El Nino temperatures in 1995 through 1997 which gave us higher amounts of rainfall and warmer winter temperatures. Good news is that El Nino usually gives the Pacific Northwest great summer months which will bring more golfers to the course and we can maintain turf grass to the highest quality.



Painting Ball Washers



#1 Green

F. FEE OFFER – BASE AND PERCENTAGE OF REVENUE (LEASE OPTION)

BCG will provide complete turn-key management of RedGate including; golf operations, golf course and facility maintenance, marketing and promotion, general and administrative functions, operating and capital budgeting, employee hiring and training, and financial management and reporting. All employees would be employees of BCG. BCG would be paid a fixed fee for its services.

BCG has budgeted the following compensation for golf management services for RedGate. BCG looks forward to discussing our bid proposal with the City in order to develop the most advantageous partnership for both the City and BCG. We reserve the right to engage in discussions with the City with respect to this Response and Bid Proposal.

Proposed Term: Ten (10) years, with a Ten (10) year renewal option, at mutual consent.

Structure: BCG will form a single-purpose subsidiary (e.g.: RedGate Golf Management, LLC) for purposes of maintaining RedGate whose sole member shall be BCG. BCG shall remain solely responsible for all obligations of the agreement and owners shall have full recourse to BCG for any liabilities caused by this entity. This entity will employ all of the staff at RedGate. This entity will be operated on a discrete basis and shall not commingle any assets or liabilities with any other BCG-managed property. Club-level financial statements will be prepared in the name of this single-purpose entity and BCG will coordinate accounting interface with Owner’s entity that owns the real property assets.

Course Operation: BCG shall operate RedGate pursuant to an annual budget, marketing and agronomic plan. All rates and fees shall be defined in advance agreed to and approved by the City. All employees at RedGate shall be BCG employees and will work exclusively for the benefit of RedGate. BCG will retain exclusive right to hire and terminate employees.

Procurement: BCG will purchase all materials and supplies for RedGate via its existing national account purchase programs including retail merchandise, course supplies, agronomic supplies, maintenance equipment, golf cars, property and casualty insurance, among others.

Initial Capital Investment: BCG proposes to invest up to \$175,000 for initial capital improvements to RedGate. These include tournament pavilion, clubhouse improvements, renovated on-course restroom and driving range improvements.

Annual License Fee: In Years 1-5, BCG shall pay \$12,000 per year, and in Year 6-10 BCG shall pay \$24,000 per year for base rent to the City.

Annual Revenue Share: **Golf Revenue Share:** BCG will pay the City 25% of all Gross Golf Revenue over an Annual Threshold amount each year of the Agreement. The initial Annual Threshold Amount shall be \$1,100,000 to \$1,299,999. BCG shall pay 50% of all Gross Golf Revenue that exceeds \$1,300,000 threshold. (The Annual Threshold is increased each year by 1%).

Other Revenue Share: BCG will pay the City 5% of all Other Revenues over an Annual Threshold amount each year of the agreement. The initial annual

threshold shall be \$250,000 to \$499,999. BCG shall pay 10% of all Other Revenue that exceeds \$500,000 threshold. (The Annual Threshold is increased each year by 1%).

Gross Golf Revenue shall be defined as Green Fees, Cart Fees, Annual Pass Fees, and Driving Range Fees.

Other Revenues shall be defined as all F&B Revenues and Golf Shop Sales.

Annual Capital Improvement Fund:

An annual contribution equal to 2.5% of Gross Revenue will be made to the Capital Improvement Fund commencing with gross revenues from Year 2. The City and BCG shall mutually agree on the investment of capital funds.

Golf Carts:

BCG will acquire a new fleet of gas golf carts in Year 1. BCG plans to replace the cart fleet with new carts at the end of every five years.

Maintenance Equipment:

BCG will utilize the existing maintenance equipment from City. Per the capital plan, BCG shall acquire replacement equipment matching the equipment acquired through the capital fund. BCG has projected spending \$150,000 in addition to the \$150,000 from the capital fund to supplement the equipment fleet.

Please see Attached Summary



**BEST AND FINAL
ANNUAL SUMMARY ANALYSIS**

REDGATE GOLF CLUB

LEASE SCENARIO

CLUB SUMMARY

YEAR	TOTAL ROUNDS OF GOLF										
	1 2012	2 2013	3 2014	4 2015	5 2016	6 2017	7 2018	8 2019	9 2020	10 2021	10 Year TOTAL
REVENUES											
Greens Fees	\$ 828,745	\$ 902,556	\$ 955,523	\$ 974,729	\$ 984,477	\$ 1,004,264	\$ 1,024,450	\$ 1,045,042	\$ 1,055,492	\$ 1,076,707	\$ 9,851,986
Cart Fees	\$ 242,870	\$ 263,900	\$ 278,892	\$ 284,498	\$ 287,343	\$ 293,118	\$ 299,010	\$ 305,020	\$ 308,070	\$ 314,263	\$ 2,876,984
Driving Range	\$ 50,400	\$ 54,764	\$ 57,875	\$ 59,039	\$ 59,629	\$ 60,828	\$ 62,050	\$ 63,297	\$ 63,930	\$ 65,215	\$ 597,028
Activity or Pass Card Sales	\$ 24,255	\$ 25,468	\$ 26,741	\$ 28,078	\$ 29,482	\$ 30,956	\$ 32,504	\$ 34,129	\$ 35,836	\$ 37,627	\$ 305,077
Pro Shop Sales	\$ 108,030	\$ 117,384	\$ 125,293	\$ 127,812	\$ 130,381	\$ 133,002	\$ 135,675	\$ 138,402	\$ 141,184	\$ 144,022	\$ 1,301,185
Food (Food & Soft Drinks)	\$ 121,313	\$ 131,817	\$ 140,699	\$ 143,527	\$ 146,411	\$ 149,354	\$ 152,356	\$ 155,419	\$ 158,543	\$ 161,729	\$ 1,461,168
Beverages (Alcohol)	\$ 59,918	\$ 65,106	\$ 69,492	\$ 70,889	\$ 72,314	\$ 73,768	\$ 75,250	\$ 76,763	\$ 78,306	\$ 79,880	\$ 721,686
Other Food & Beverage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Golf Revenues (club rental, handicap, locker, bag storage)	\$ 8,125	\$ 8,531	\$ 8,958	\$ 9,406	\$ 9,876	\$ 10,370	\$ 10,888	\$ 11,433	\$ 12,004	\$ 12,605	\$ 102,195
Clinic / School Revenue	\$ 17,850	\$ 18,743	\$ 19,880	\$ 20,664	\$ 21,697	\$ 22,782	\$ 23,921	\$ 25,117	\$ 26,373	\$ 27,691	\$ 224,515
Dues Income - Monthly Dues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Initiation Fee Income / Annual Membership Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Others Amenities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous Income - (Does not feed to split Summary pages)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUE	\$ 1,461,505	\$ 1,588,269	\$ 1,683,154	\$ 1,718,641	\$ 1,741,610	\$ 1,778,442	\$ 1,816,105	\$ 1,854,621	\$ 1,879,738	\$ 1,919,739	\$ 17,441,824
COST OF SALES											
COGS - Pro Shop Merch.	\$ 75,621	\$ 82,169	\$ 87,705	\$ 89,468	\$ 91,267	\$ 93,101	\$ 94,972	\$ 96,881	\$ 98,829	\$ 100,815	\$ 910,829
COGS - Food (food and soft drinks)	\$ 42,459	\$ 46,136	\$ 49,244	\$ 50,234	\$ 51,244	\$ 52,274	\$ 53,325	\$ 54,397	\$ 55,490	\$ 56,605	\$ 511,409
COGS - Beverage (alcohol)	\$ 19,773	\$ 21,485	\$ 22,933	\$ 23,393	\$ 23,864	\$ 24,343	\$ 24,833	\$ 25,332	\$ 25,841	\$ 26,360	\$ 238,156
TOTAL COST OF SALES	\$ 137,853	\$ 149,790	\$ 159,882	\$ 163,096	\$ 166,374	\$ 169,718	\$ 173,130	\$ 176,610	\$ 180,160	\$ 183,781	\$ 1,660,394
GROSS INCOME	\$ 1,323,652	\$ 1,438,479	\$ 1,523,272	\$ 1,555,545	\$ 1,575,235	\$ 1,608,723	\$ 1,642,975	\$ 1,678,012	\$ 1,699,578	\$ 1,735,959	\$ 15,781,429
LABOR											
Golf Operations Labor	\$ 230,436	\$ 233,893	\$ 237,401	\$ 240,962	\$ 244,577	\$ 248,245	\$ 251,969	\$ 255,748	\$ 259,585	\$ 263,478	\$ 2,466,294
General and Administrative Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Golf Course Maintenance Labor	\$ 239,104	\$ 242,691	\$ 246,331	\$ 250,026	\$ 253,776	\$ 257,583	\$ 261,447	\$ 265,368	\$ 269,349	\$ 273,389	\$ 2,559,604
Food and Beverage Labor	\$ 56,332	\$ 57,177	\$ 58,035	\$ 58,905	\$ 59,789	\$ 60,686	\$ 61,596	\$ 62,520	\$ 63,458	\$ 64,409	\$ 602,906
Pool/Fitness & Tennis Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and Marketing Labor	\$ 6,225	\$ 6,318	\$ 6,413	\$ 6,509	\$ 6,607	\$ 6,706	\$ 6,807	\$ 6,909	\$ 7,012	\$ 7,118	\$ 66,624
Total Direct Labor	\$ 532,097	\$ 540,079	\$ 548,180	\$ 556,403	\$ 564,749	\$ 573,220	\$ 581,818	\$ 590,545	\$ 599,404	\$ 608,395	\$ 5,694,899
Total Payroll Taxes	\$ 44,696	\$ 45,367	\$ 46,047	\$ 46,738	\$ 47,439	\$ 48,150	\$ 48,873	\$ 49,606	\$ 50,350	\$ 51,105	\$ 478,371
Total Medical/Health Benefits	\$ 34,532	\$ 35,050	\$ 35,575	\$ 36,109	\$ 36,651	\$ 37,200	\$ 37,758	\$ 38,325	\$ 38,900	\$ 39,483	\$ 369,583
Insurance - Workers Comp	\$ 15,963	\$ 16,202	\$ 16,445	\$ 16,692	\$ 16,942	\$ 17,197	\$ 17,455	\$ 17,716	\$ 17,982	\$ 18,252	\$ 170,847
TOTAL LABOR	\$ 627,288	\$ 636,697	\$ 646,248	\$ 655,942	\$ 665,781	\$ 675,767	\$ 685,904	\$ 696,192	\$ 706,635	\$ 717,235	\$ 6,713,689
Labor as % of Revenue	43%	40%	38%	38%	38%	38%	38%	38%	38%	37%	38%
OTHER OPERATIONAL EXPENSES											
Golf Operations Expense	\$ 33,458	\$ 33,960	\$ 34,469	\$ 34,986	\$ 35,511	\$ 36,044	\$ 36,584	\$ 37,133	\$ 37,690	\$ 38,256	\$ 358,092
General & Administrative Expense	\$ 228,365	\$ 231,791	\$ 235,268	\$ 238,797	\$ 242,378	\$ 246,014	\$ 249,704	\$ 253,450	\$ 257,252	\$ 261,110	\$ 2,444,129
Golf Course Maintenance Expense	\$ 225,913	\$ 229,302	\$ 232,741	\$ 236,232	\$ 239,776	\$ 243,372	\$ 247,023	\$ 250,728	\$ 254,489	\$ 258,307	\$ 2,417,884
Food and Beverage Expense	\$ 20,395	\$ 20,701	\$ 21,011	\$ 21,327	\$ 21,647	\$ 21,971	\$ 22,301	\$ 22,635	\$ 22,975	\$ 23,319	\$ 218,282
Pool / Fitness & Tennis Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and Marketing Expense	\$ 39,535	\$ 40,128	\$ 40,730	\$ 41,341	\$ 41,961	\$ 42,590	\$ 43,229	\$ 43,878	\$ 44,536	\$ 45,204	\$ 423,132
Golf Cart Lease (Feeds from Lease Tab)	\$ 56,544	\$ 56,544	\$ 56,544	\$ 56,544	\$ 56,544	\$ 56,544	\$ 56,544	\$ 56,544	\$ 56,544	\$ 56,544	\$ 565,440
EXISTING - Equipment Leases (Feeds from Lease Tab)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 150,000
FF and E - NEW FINANCED ITEMS - Items financed by club (not carts or ma	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes - Real Estate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance - P and C	\$ 23,000	\$ 23,345	\$ 23,695	\$ 24,051	\$ 24,411	\$ 24,778	\$ 25,149	\$ 25,526	\$ 25,909	\$ 26,298	\$ 246,163
TOTAL OTHER OPERATIONAL EXPENSES	\$ 627,210	\$ 635,770	\$ 644,459	\$ 653,277	\$ 662,228	\$ 671,314	\$ 680,535	\$ 689,895	\$ 699,395	\$ 709,038	\$ 6,823,122
TOTAL EXPENSES	\$ 1,254,498	\$ 1,272,468	\$ 1,290,706	\$ 1,309,219	\$ 1,328,009	\$ 1,347,081	\$ 1,366,439	\$ 1,386,087	\$ 1,406,031	\$ 1,426,273	\$ 13,536,811
EBITDAR	\$ 69,153	\$ 166,012	\$ 232,565	\$ 246,326	\$ 247,226	\$ 231,642	\$ 246,536	\$ 261,924	\$ 263,548	\$ 279,686	\$ 2,244,618
CUMULATIVE EBITDAR	\$ 69,153	\$ 235,165	\$ 467,730	\$ 714,056	\$ 961,282	\$ 1,192,924	\$ 1,439,461	\$ 1,701,385	\$ 1,964,932	\$ 2,244,618	
OPERATING MARGIN	5%	10%	14%	14%	14%	13%	14%	14%	14%	15%	13%
PAYMENTS TO CITY											
License Fee Payments - Golf - F&B	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 180,000
Revenue Share Payments Golf - Carts, G	\$ 11,567	\$ 33,922	\$ 49,230	\$ 54,991	\$ 56,103	\$ 63,977	\$ 72,095	\$ 80,463	\$ 81,950	\$ 90,695	\$ 594,995
Thresholds increased 1	\$ 1,300,000	\$ 50%									
Revenue Share Payments - F & B and oth	\$ 2,369	\$ 3,517	\$ 4,471	\$ 4,703	\$ 4,942	\$ 5,187	\$ 5,439	\$ 5,699	\$ 5,966	\$ 6,241	\$ 48,534
Thresholds increased 1	\$ 450,000	\$ 10%									
TOTAL PAYMENTS TO CITY	\$ 25,937	\$ 49,439	\$ 65,701	\$ 71,694	\$ 73,044	\$ 93,164	\$ 101,535	\$ 110,162	\$ 111,916	\$ 120,936	\$ 823,529
EBITDA	\$ 43,217	\$ 116,573	\$ 166,864	\$ 174,632	\$ 174,182	\$ 138,478	\$ 145,002	\$ 151,762	\$ 151,631	\$ 158,750	\$ 1,421,089
INTEREST EXPENSE / DEPRECIATION & AMORTIZATION											
Interest Expense - Debt	\$ 10,162	\$ 9,418	\$ 8,674	\$ 7,930	\$ 7,156	\$ 6,349	\$ 5,505	\$ 4,637	\$ 3,744	\$ 2,827	\$ 66,402
Principle Expense - Debt	\$ 24,803	\$ 24,804	\$ 24,803	\$ 24,803	\$ 24,804	\$ 24,804	\$ 24,803	\$ 24,803	\$ 24,803	\$ 24,804	\$ 248,034
TOTAL INTEREST EXPENSE / DEPRECIATION & AMORTIZATION	\$ 34,965	\$ 34,222	\$ 33,477	\$ 32,733	\$ 31,960	\$ 31,153	\$ 30,308	\$ 29,440	\$ 28,547	\$ 27,631	\$ 314,436
NET OPERATING INCOME / NOI	\$ 8,252	\$ 82,351	\$ 133,387	\$ 141,899	\$ 142,222	\$ 107,325	\$ 114,694	\$ 122,322	\$ 123,084	\$ 131,119	\$ 1,106,653
CAPITAL INVESTMENT											
Initial Capital Investment - By BCG	\$ 175,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,000
Capital Reserve on Total Revenue	\$ -	\$ 39,707	\$ 42,079	\$ 42,966	\$ 43,540	\$ 44,461	\$ 45,403	\$ 46,366	\$ 46,993	\$ 47,993	\$ 399,508
TOTAL CAPITAL INVESTMENT	\$ 175,000	\$ 39,707	\$ 42,079	\$ 42,966	\$ 43,540	\$ 44,461	\$ 45,403	\$ 46,366	\$ 46,993	\$ 47,993	\$ 574,508
TOTAL RENT PAYMENTS AND CAPITAL INVESTMENT TO CITY	\$ 200,937	\$ 89,146	\$ 107,780	\$ 114,660	\$ 116,585	\$ 137,625	\$ 146,937	\$ 156,528	\$ 158,910	\$ 168,929	\$ 1,398,037
NET CASH FLOW (DEBT SERVICE ADDED BACK)	\$ (131,783)	\$ 76,866	\$ 124,785	\$ 131,666	\$ 130,642	\$ 94,017	\$ 99,599	\$ 105,397	\$ 104,638	\$ 110,756	\$ 846,581
CUMULATIVE NCF	\$ (131,783)	\$ (54,917)	\$ 69,867	\$ 201,533	\$ 332,175	\$ 426,192	\$ 525,791	\$ 631,187	\$ 735,825	\$ 846,581	

Approved by Owner/Agent:

* All Sales and Use Taxes assumed to be a pass through, not shown for budget purposes
** Beginning Year Cash Balance - should be net of all Accounts Payable and other current payables

Best and Final
Billy Casper Golf, LLC Lease Proposal for Redgate Golf Course

TERM YEAR	CALENDAR YEAR	ANNUAL FEE PAYMENT	CAPITAL INVESTMENT	GOLF REVENUE SHARE	OTHER REVENUE SHARE	CAPITAL IMPROVEMENTS	TOTAL CAPITAL INVESTMENT
1	2012	BCG agrees to pay the City an annual fee, as follows:	BCG agrees to invest in POS, new golf carts, clubhouse interior, driving range, and tournament outing pavilion. The maintenance equipment will be replaced and supplemented as necessary throughout the term of the Agreement equitably via capital fund and BCG's contributions - shown in years 6-10. The golf cart fleet will be replaced every five years.	BCG agrees to pay the City, in addition to the annual base rent, 25% of Gross Golf Revenue over \$1,100,000 and 50% over \$1,300,000 (thresholds increased by 1% each year) annually, computed and paid monthly once threshold is met. Gross Golf Revenue shall be defined as cart fees, green fees, driving range sales and annual pass/card sales.	BCG agrees to pay the City, in addition to the annual base rent, 5% of Other Revenue over \$250,000 and 10% over \$450,000 (thresholds increased by 1% each year) annually, computed and paid monthly once threshold is met. Other Revenue shall be defined as Gross F&B Sales, pro shop sales, and room rentals	BCG agrees to invest 2.5% of gross revenue towards ongoing capital improvements starting in Year 2	BCG estimates our total investment, including license fees, revenue share with the City, Capital Investments, and our obligation to provide the initial personal property to be the following:
2	2013						
3	2014						
4	2015						
5	2016						
6	2017						
7	2018						
8	2019						
9	2020						
20	2031						
		TOTAL					

	\$ amount	\$ amount	\$ amount	2.5% of Gross Revenue	Estimated \$ amount
	\$12,000	\$175,000	\$2,369	\$0	\$200,937
	\$12,000	\$0	\$3,517	\$39,707	\$89,146
	\$12,000	\$49,230	\$4,471	\$42,079	\$107,780
	\$12,000	\$0	\$4,703	\$42,966	\$114,660
	\$12,000	\$0	\$4,942	\$43,540	\$116,585
	\$24,000	\$63,977	\$5,187	\$44,461	\$167,625
	\$24,000	\$30,000	\$5,439	\$45,403	\$176,937
	\$24,000	\$30,000	\$5,699	\$46,366	\$186,528
	\$24,000	\$30,000	\$5,966	\$46,993	\$188,910
	\$24,000	\$0	\$9,452	\$59,357	\$102,262
		TOTAL	\$594,995	\$48,534	\$1,548,037

ATTACH D

RFP #43-11 REDGATE GOLF COURSE

CITY OF ROCKVILLE, MARYLAND

RFP #43-11

**LEASE OF
 REDGATE MUNICIPAL GOLF COURSE**

LEASE FEE PROPOSAL FORM

(To be Completed by Lease Offerors)

NAME OF LEASE OFFEROR: Billy Casper Golf, LLC

NAME OF OFFICER: R. Joseph Goodrich

DATE: 6/29/11

Year	Guaranteed Annual Payment (to be completed by offeror)	Percentage of Net Income Payment (to be completed by offeror)
1		
2		
3		
4		
5	Please see Response	
6		
7		
8		
9		
10		

G. MANAGEMENT FEE – BASE AND INCENTIVE (MANAGEMENT OPTION)

BCG will provide complete turn-key management of RedGate including; golf operations, golf course and facility maintenance, marketing and promotion, general and administrative functions, operating and capital budgeting, employee hiring and training, and financial management and reporting. All employees would be employees of BCG. BCG would be paid a fixed fee for its services.

BCG has budgeted the following compensation for golf management services for RedGate. BCG looks forward to discussing our bid proposal with the City in order to develop the most advantageous partnership for both the City and BCG. We reserve the right to engage in discussions with the City with respect to this Response and Bid Proposal.

Proposed Term: Five (5) years, with a Five (5) year renewal option, at mutual consent.

Structure: BCG will form a single-purpose subsidiary (e.g.: RedGate Golf Management, LLC) for purposes of maintaining RedGate whose sole member shall be BCG. BCG shall remain solely responsible for all obligations of the agreement and owners shall have full recourse to BCG for any liabilities caused by this entity. This entity will employ all of the staff at RedGate. This entity will be operated on a discrete basis and shall not commingle any assets or liabilities with any other BCG-managed property. Club-level financial statements will be prepared in the name of this single-purpose entity and BCG will coordinate accounting interface with Owner's entity that owns the real property assets.

Course Operation: BCG shall operate RedGate pursuant to an annual budget, marketing and agronomic plan agreed to and approved by the City as outlined in this RFP. BCG has not assumed any volunteers in the operation of RedGate. All rates, fees, and expenses shall be defined in advance as part of the budget process. BCG shall not deviate from this plan without City's consent. All expenses of operating RedGate shall be the responsibility of the City. All employees at RedGate shall be BCG employees and will work exclusively for the benefit of RedGate. All employee costs shall be part of the operating expense of RedGate. BCG will retain exclusive right to hire and terminate employees. The City may participate in final interviews with key management personnel, if desired.

Procurement: BCG will purchase all materials and supplies for RedGate via its existing national account purchase programs including retail merchandise, course supplies, agronomic supplies, maintenance equipment, golf cars, property and casualty insurance, among others.

Media and PR: BCG will handle all media and PR needs of RedGate via BCG's in-house media and publicity division, Buffalo Communications.

Financial Reporting: Financial statements will be prepared by BCG's in-house CPAs. BCG will furnish the City with balance sheets, income statements, cash flow statements, and bank reconciliations on a monthly basis. BCG can also supply additional reports during the month as may be requested by the City.

- Owner Oversight:** BCG will report to the City, its representatives, or other designee.
- BCG Oversight:** BCG's operation of RedGate will be directed and overseen by a Regional Vice President based from their office located within a defined proximity of RedGate, as well as additional support from personnel based at BCG's corporate office in Vienna, Virginia.
- Fees:** For its management services, BCG would earn a base monthly fee of Six Thousand Seven Hundred and Fifty Dollars (\$6,750). BCG proposes an annual incentive fee based upon the achievement of golf revenue thresholds and other revenue thresholds. The management fees and incentive fees are net to BCG.
- Travel Allowance:** BCG would be reimbursed for usual and customary travel expenses incurred in connection with oversight of RedGate. The annual travel allowance would be capped at an amount not to exceed Three Thousand Dollars (\$3,000).

RFP #43-11 REDGATE GOLF COURSE

CITY OF ROCKVILLE, MARYLAND

RFP #43-11

**MANAGEMENT CONTRACT FOR
REDGATE MUNICIPAL GOLF COURSE**

MANAGEMENT CONTRACT PROPOSAL FORM

(To be Completed by Management Contract Offerors)

NAME OF MANAGEMENT CONTRACT OFFEROR: Billy Casper Golf, LLC

NAME OF OFFICER: R. Joseph Goodrich

DATE: 6/29/11

MANAGEMENT FEE PROPOSAL

Year	Base Management Fee	Incentive Management Fee
1		
2		
3		
4		

PROPOSED EXPENSE AND REVENUES

Year	Expense Budget*	Projected Revenues*
1		
2	Please see Response	
3		
4		

***Management Contract offerors shall include with their proposals a breakout of the Expense Budget and Projected Revenues by category for Years 1 and 2 of contract on the following page.**

RFP #43-11 REDGATE GOLF COURSE

CITY OF ROCKVILLE, MARYLAND

**RFP #43-11
 MANAGEMENT CONTRACT FOR
 REDGATE MUNICIPAL GOLF COURSE**

MANAGEMENT CONTRACT PROPOSAL FORM

EXPENSE – REVENUE BUDGET – YEAR 1 & 2 OF CONTRACT

(To be completed by Management Contract Offerors)

Proposed Expense Budget

Expense	Year 1	Year 2
Personnel		
Contract Services		
Commodities (Course & Facility Maintenance)		
Commodities (F&B, Lessons, Driving Range, Pro Shop)		
Capital Outlay		
Administrative Expense		
Insurance	Please see Response	
Other:		
Base Management Fee		
Total Operating Expense		

Projected Revenues

Revenue/Sources	Year 1	Year 2
Golf Course Fees		
Cart Rentals		
Driving Range		
Lessons		
Concessions/Other		
Pro Shop	Please see Response	
Other:		
Total Projected Revenues		

H. ANNUAL OPERATING BUDGET – EXPENSE/REVENUE (MANAGEMENT OPTION)

REDDGATE GOLF CLUB
2012
CALENDAR
CLUB SUMMARY

Table with columns for months (Jan-12 to Dec-12) and a TOTAL column. Rows include REVENUES (Greens Fees, Cart Fees, etc.), COST OF SALES (COGS - Pro Shop Merch, etc.), LABOR (Total Labor, Labor Expense), and OTHER OPERATIONAL EXPENSES (General & Administrative, etc.). Includes sub-totals for GROSS INCOME and TOTAL EXPENSES.

Summary table with columns for 'Beginning Cash Balance', 'EBITDA / OPERATING INCOME', 'CUMULATIVE EBITDAR', and 'OPERATING MARGIN'. Includes a note: 'Beginning Cash Balance \$0'.



REDFATE GOLF CLUB
2012
CALENDAR
GOLF OPERATIONS

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Total
Total Rounds	185	185	1,815	3,830	4,425	4,890	5,053	4,770	6,040	4,816	1,470	330	36,000
REVENUES													
Greens Fees	3,085	3,085	34,115	90,985	105,915	113,100	122,420	116,610	114,600	98,945	24,840	6,235	628,745
Cart Fees	1,038	1,038	11,385	23,029	28,532	33,978	33,731	30,696	33,415	30,475	9,380	2,077	242,870
Driving Range	431	431	4,851	9,945	12,442	14,441	14,441	14,441	14,441	14,441	2,028	462	103,433
Pro Shop Sales	985	985	10,833	14,873	14,873	14,873	14,873	14,873	14,873	14,873	4,413	963	100,030
Other Golf Revenues (club rental, handicap, locker, bag storage)	485	485	5,445	10,893	13,272	14,873	15,256	14,313	15,128	12,645	4,413	963	100,030
GPS Fees	-	-	625	4,000	975	250	-	500	750	625	-	-	8,125
4002-75	-	-	-	-	-	-	-	-	-	-	-	-	-
4002-75	-	-	-	-	-	-	-	-	-	-	-	-	-
GPS Advertising	-	-	100	800	1,100	3,600	6,100	4,850	1,100	200	-	-	17,850
Clinic / School Revenue	5,837	5,837	59,171	138,844	182,334	177,898	185,128	174,147	174,300	143,731	41,281	9,787	1,280,275
TOTAL REVENUE	10,446	10,446	138,844	347,625	425,920	480,275	511,117	480,275	511,117	425,920	138,844	347,625	5,111,117
PRO SHOP COST OF SALES													
5,481	5,481	55,360	132,219	153,044	167,822	174,447	164,128	164,128	164,128	132,219	38,202	9,072	1,204,654
GROSS INCOME GOLF OPERATIONS	4,965	4,965	83,484	215,406	258,096	305,828	346,670	316,147	346,989	293,701	100,642	256,553	3,906,463
LABOR													
Golf Operations Direct Labor	10,778	9,987	14,932	21,004	25,084	24,994	25,628	25,628	24,994	21,384	12,470	13,174	230,436
Golf Operations Payroll Taxes	905	839	1,254	2,107	2,170	2,170	2,170	2,170	2,170	1,785	1,047	1,107	19,357
Golf Operations Medical / Health Benefits	1,117	1,117	1,117	1,117	1,117	1,117	1,117	1,117	1,117	1,117	1,117	1,117	13,402
TOTAL GOLF OPERATIONS LABOR	12,800	11,943	17,303	24,228	28,371	28,281	28,915	28,915	28,281	24,979	14,634	15,398	263,195
TOTAL GOLF OPERATIONS OTHER EXPENSES	305	505	4,888	4,888	3,413	3,853	6,510	2,816	2,816	2,816	1,223	222	33,458
TOTAL GOLF OPERATIONS LABOR & EXPENSES	13,104	12,447	22,191	29,116	31,784	32,134	35,425	31,731	31,097	27,795	15,857	16,620	296,653
NET INCOME FROM GOLF OPERATIONS	(7,614)	(5,988)	61,191	186,187	229,715	273,694	311,245	287,412	315,902	268,926	84,440	(8,564)	908,001

ROUNDS DISTRIBUTION

MEMBER	Weekend (Saturday, Sunday and Holidays)	Weekday (Monday - Friday, excluding holidays)	Total Member
DAILY FEE	48%	51%	49%
Season Rack	3%	3%	3%
Season Mid-Day	19%	13%	19%
Season Twilight	0%	0%	0%
Shoulder Season Rack	0%	0%	0%
Shoulder Season Mid-Day	0%	0%	0%
Shoulder Season Twilight	0%	0%	0%
Senior	0%	0%	0%
Junior	1%	1%	1%
9-Hole	5%	5%	5%
Weekend Coupon	0%	0%	0%
Replay	0%	0%	0%
St. Coupon	1%	1%	1%
Comp/Employee	1%	1%	1%
Coupon	20%	20%	20%
Daily Fee Weekend Subtotal	48%	51%	49%
Season Rack	5%	5%	5%
Season Mid-Day	15%	15%	15%
Season Twilight	0%	0%	0%
Shoulder Season Rack	0%	0%	0%
Shoulder Season Mid-Day	0%	0%	0%
Shoulder Season Twilight	0%	0%	0%
Senior	13%	13%	13%
Junior	3%	3%	3%
9-Hole	5%	5%	5%
Weekend Coupon	0%	0%	0%
St. Coupon	0%	0%	0%
Comp/Employee	4%	4%	4%
Coupon	13%	13%	13%
Daily Fee Weekday Subtotal	51%	48%	51%
Total Daily Fee	100%	100%	100%

REDGATE GOLF CLUB
2012

GOLF ROUND ASSUMPTIONS, CONTINUED

MEMBER	NUMBER OF ROUNDS	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	TOTAL
MEMBER														
Weekend (Saturday, Sunday and Holidays)														
Weekday (Monday - Friday, excluding holidays)														
Total Member														
DAILY FEE														
Weekend (Friday, Saturday, Sunday and Holidays)														
Season Rack	5	5	54	109	124	129	144	139	129	104	104	40	10	982
Season Mid-Day	0	0	472	558	622	601	598	622	601	598	490	0	0	3,787
Season Twilight	31	31	345	280	343	343	363	370	343	277	0	261	63	3,057
Shoulder Season Rack	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shoulder Season Mid-Day	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shoulder Season Twilight	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Senior	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Junior	2	2	18	36	41	43	48	48	48	35	35	13	3	330
9-Hole	8	8	91	182	208	215	239	231	215	173	66	17	17	1,851
Weekend Coupon	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replay	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sr. Coupon	0	0	18	36	41	43	48	48	48	35	35	13	3	330
Comp/Employee	2	2	18	36	41	43	48	48	48	35	35	13	3	330
Coupon	33	33	363	726	825	858	957	924	858	683	264	66	66	6,800
Weekend Subtotal	81	81	889	1,851	2,103	2,189	2,441	2,357	2,188	1,787	847	182	182	16,737
Weekday (Monday - Thursday, excluding Holidays)														
Season Rack	8	8	91	182	206	215	239	231	215	173	66	17	17	1,851
Season Mid-Day	0	0	0	429	413	429	479	462	429	347	0	0	0	2,922
Season Twilight	20	20	218	182	206	215	239	231	215	173	158	40	40	1,917
Shoulder Season Rack	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shoulder Season Mid-Day	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shoulder Season Twilight	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Senior	21	21	236	363	413	429	479	462	429	347	172	43	43	5,418
Junior	2	2	18	36	41	43	48	48	48	35	13	3	3	330
9-Hole	5	5	54	109	124	129	144	139	129	104	104	40	10	982
Weekend Coupon	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replay	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sr. Coupon	0	0	18	36	41	43	48	48	48	35	35	13	3	330
Comp/Employee	7	7	73	146	165	173	197	190	173	136	53	13	13	1,614
Coupon	21	21	236	363	413	429	479	462	429	347	172	43	43	4,280
Weekday Subtotal	84	84	926	1,780	2,104	2,189	2,345	2,264	2,104	1,688	874	189	189	18,253
Total Daily Fee	165	165	1,815	3,631	4,124	4,283	4,786	4,621	4,293	3,465	1,921	331	331	33,010
MEMBER ROUNDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Member Rounds														
PUBLIC ROUNDS	33,000	165	1,815	3,630	4,125	4,280	4,785	4,620	4,290	3,465	1,920	330	330	100,000
Subtotal Public Rounds														
OUTING ROUNDS	3,000	0	0	0	0	0	0	0	0	0	0	0	0	100,000
Subtotal Outing Rounds														
TOTAL ROUNDS	165	165	1,815	3,630	4,425	4,890	5,085	4,770	5,040	4,215	1,470	330	330	36,000
	0%	0%	5%	10%	12%	14%	14%	13%	14%	12%	4%	1%	1%	100%

REDGATE GOLF CLUB
2012

GOLF RATE SCHEDULE

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Avg
DAILY FEE													
MEMBER													
Weekend (Saturday, Sunday)	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00
Weekend (Holiday - Fri)	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75
DAILY FEE (Friday, Saturday, Sunday and Holidays)													
Season Rack	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Season Mid-Day	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00
Season Twilight	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
Shoulder Season Rack	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Shoulder Season Mid-day	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Shoulder Season Twilight	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Senior	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00
Junior	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00	\$ 18.00
Weekend Coupon	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75
Replay	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75
Sr. Coupon	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75	\$ 15.75
Comp/Employee	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Coupon	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Weekday (Monday - Thursday, excluding Holidays)													
Season Rack	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Season Mid-Day	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00
Season Twilight	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Shoulder Season Rack	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Shoulder Season Mid-day	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Shoulder Season Twilight	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Senior	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Junior	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Weekend Coupon	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Replay	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Sr. Coupon	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00
Comp/Employee	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
Coupon	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
OUTING ROUNDS													
Member	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Public	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Outing	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00

GOLF SHOP REVENUE (PER ROUND)

Member	\$ 3.00
Public	\$ 3.00
Outing	\$ 3.00

Cart Rate	\$ 15.75
TL Hole Public	\$ 15.75
TL Hole Member	\$ 15.75
Sr Hole	\$ 10.00
Outing	\$ 15.75

Cart Rate	\$ 15.75
TL Hole Public	\$ 15.75
TL Hole Member	\$ 15.75
Sr Hole	\$ 10.00
Outing	\$ 15.75

REDGATE GOLF CLUB
2012

GOLF REVENUES

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Total
MEMBER													
GREENS FEES REVENUE													
Weekend (Saturday, Sunday and Holidays)													
Weekday (Monday - Friday, excluding Holidays)													
Subtotal Member Greens Fee Revenue													
DAILY FEE													
Weekend (Friday, Saturday, Sunday and Holidays)													
Season Rack	150	150	1,620	4,905	5,950	5,805	6,480	6,255	5,905	4,680	1,200	300	42,930
Season Mid-Day				14,160	16,080	16,740	18,660	18,090	16,740	13,900			113,910
Season Twilight	620	620	6,900	5,800	6,600	6,950	7,650	7,400	6,850	5,540	5,020	1,260	61,140
Shoulder Season Rack													
Shoulder Season Mid-day													
Shoulder Season Twilight													
Senior													
Junior	30	30	270	720	820	860	960	920	860	700	195	45	6,410
9-Hole	120	120	1,365	3,640	4,120	4,300	4,780	4,620	4,300	3,460	960	255	32,070
Weekend Coupon													
Reply													
Sr. Coupon													
Comp/Employee													
Coupon	925	925	8,075	21,760	24,750	25,740	28,710	27,720	25,740	20,730	6,500	1,650	184,205
Subtotal Weekend Daily Fee Greens Fee Revenue	1,745	1,745	18,240	31,003	37,340	36,343	37,230	36,244	35,383	28,670	14,088	3,510	450,685
Weekday (Monday - Thursday, excluding Holidays)													
Season Rack	200	200	2,275	6,370	7,210	7,525	8,365	8,085	7,525	6,095	1,650	425	55,885
Season Mid-Day				9,075	10,325	10,725	11,975	11,550	10,725	8,675			73,050
Season Twilight	300	300	3,270	2,730	3,060	3,225	3,585	3,465	3,225	2,595	2,370	600	28,755
Shoulder Season Rack													
Shoulder Season Mid-day													
Shoulder Season Twilight													
Senior													
Junior	315	315	3,540	9,075	10,325	10,725	11,975	11,550	10,725	8,675	2,590	645	80,445
9-Hole	90	90	990	2,730	3,060	3,225	3,585	3,465	3,225	2,595	785	195	34,885
Weekend Coupon													
Reply													
Sr. Coupon													
Comp/Employee													
Coupon	420	420	4,720	11,800	13,400	13,950	15,550	15,025	13,950	11,250	3,440	860	104,785
Subtotal Weekday Daily Fee Greens Fee Revenue	1,340	1,340	14,895	38,690	44,865	46,795	52,170	50,985	46,795	37,775	10,835	2,725	348,560
Subtotal Daily Fee Revenue	3,085	3,085	34,115	90,985	102,915	107,100	119,420	115,310	107,100	86,445	24,840	6,235	800,245
OUTING													
Weekend (Friday, Saturday, Sunday and Holidays)													
Season Rack													
Season Mid-Day													
Season Twilight													
Shoulder Season Rack													
Shoulder Season Mid-day													
Shoulder Season Twilight													
Senior													
Junior													
9-Hole													
Weekend Coupon													
Reply													
Sr. Coupon													
Comp/Employee													
Coupon													
Subtotal Weekend Daily Fee Greens Fee Revenue													
Weekday (Monday - Thursday, excluding Holidays)													
Season Rack													
Season Mid-Day													
Season Twilight													
Shoulder Season Rack													
Shoulder Season Mid-day													
Shoulder Season Twilight													
Senior													
Junior													
9-Hole													
Weekend Coupon													
Reply													
Sr. Coupon													
Comp/Employee													
Coupon													
Subtotal Weekday Daily Fee Greens Fee Revenue													
TOTAL GREEN FEE REVENUE	3,085	3,085	34,115	90,985	105,815	113,100	122,420	118,810	114,890	93,845	24,840	6,235	828,745

REDDGATE GOLF CLUB
2012

GOLF REVENUES, CONTINUED

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Total
CART REVENUE													
Total Cart Rounds	71	71	700	1561	2335	2335	2333	2093	2407	2697	2697	680	16,440
Average Cart Utilization	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	46%
Public Cart Revenue	1,036	1,036	11,395	23,028	26,157	27,228	30,556	25,509	27,228	21,977	8,263	2,077	209,120
Member Cart Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Outing Cart Revenue	1,036	1,036	11,395	23,028	26,157	27,228	30,556	25,509	27,228	21,977	8,263	2,077	209,120
TOTAL CART FEE REVENUE	1,036	1,036	11,395	23,028	26,157	27,228	30,556	25,509	27,228	21,977	8,263	2,077	209,120
GOLF SHOP SALES													
Member Public Outing	485	485	5,445	10,893	12,972	12,972	14,569	13,863	12,879	10,395	3,963	963	98,030
TOTAL GOLF SHOP SALES	485	485	5,445	10,893	12,972	12,972	14,569	13,863	12,879	10,395	3,963	963	98,030
RANGE REVENUE													
Avg Ball Bucket	231	231	2,541	5,082	6,195	6,846	7,119	6,878	7,056	5,901	2,058	462	50,400
Range Utilization % of Daily Total Rounds	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Range Plan Members	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RANGE REVENUE	231	231	2,541	5,082	6,195	6,846	7,119	6,878	7,056	5,901	2,058	462	50,400
ACTIVITY CARD AND PASS SALES													
Activity Card or Pass Type	Cost per Card	980	1,980	5,445	5,445	5,445	5,445	5,445	5,445	5,445	5,445	5,445	24,255
Activity Card or Pass Type	Cost per Card	10	20	50	55	55	55	55	55	55	55	55	245
Activity Card or Pass Type	Cost per Card	0	0	0	0	0	0	0	0	0	0	0	0
Activity Card or Pass Type	Cost per Card	0	0	0	0	0	0	0	0	0	0	0	0
Activity Card or Pass Type	Cost per Card	0	0	0	0	0	0	0	0	0	0	0	0
Activity Card or Pass Type	Cost per Card	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ACTIVITY CARD AND PASS SALES	980	1,980	4,850	5,445	5,445	5,445	5,445	5,445	5,445	5,445	5,445	5,445	24,255
OTHER GOLF REVENUE													
Club Rental	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	3,125
Locker Rentals	2216-50	2216-50	2216-50	2216-50	2216-50	2216-50	2216-50	2216-50	2216-50	2216-50	2216-50	2216-50	5,000
Handicap Fees	2217-50	2217-50	2217-50	2217-50	2217-50	2217-50	2217-50	2217-50	2217-50	2217-50	2217-50	2217-50	5,000
Bag Storage	2218-50	2218-50	2218-50	2218-50	2218-50	2218-50	2218-50	2218-50	2218-50	2218-50	2218-50	2218-50	5,000
Other Golf Shop Revenue	2215-50	2215-50	2215-50	2215-50	2215-50	2215-50	2215-50	2215-50	2215-50	2215-50	2215-50	2215-50	8,125
TOTAL OTHER GOLF REVENUE	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	2211-50	24,255
CLINIC / SCHOOL REVENUE													
Schools	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	3,000
Clinics	2303-50	2303-50	2303-50	2303-50	2303-50	2303-50	2303-50	2303-50	2303-50	2303-50	2303-50	2303-50	11,250
Individual Lessons	2305-50	2305-50	2305-50	2305-50	2305-50	2305-50	2305-50	2305-50	2305-50	2305-50	2305-50	2305-50	3,000
TOTAL CLINIC / SCHOOL REVENUE	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	2301-50	17,850
TOTAL GOLF OPERATIONS REVENUE	5,837	6,827	59,171	139,844	177,898	185,128	174,147	174,300	143,731	41,291	9,767	1,280,275	

REDGATE GOLF CLUB
2012
GOLF OPERATIONS EXPENSE

GL CODE	Total Days per Month												Dec-12
	31	28	31	30	31	30	31	31	30	31	30	31	
Salary Labor													
Director of Golf	12	12	12	12	12	12	12	12	12	12	12	12	12
Head Professional	12	12	12	12	12	12	12	12	12	12	12	12	12
Head Professional	12	12	12	12	12	12	12	12	12	12	12	12	12
First Assistant Professional	12	12	12	12	12	12	12	12	12	12	12	12	12
Assistant Professional	12	12	12	12	12	12	12	12	12	12	12	12	12
Hourly Labor													
Golf Shop Attendant	744	672	2,232	4,320	4,464	4,320	4,464	4,320	4,464	4,320	4,464	4,320	4,464
Merchandise Clerk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cart Attendant	558	756	1,674	3,240	3,348	3,240	3,348	3,240	3,348	3,240	3,348	3,240	3,348
Range Attendant	558	504	1,116	2,232	2,232	2,160	2,232	2,160	2,232	2,160	2,232	2,160	2,232
Starters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Course Advisors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cart Mechanic	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bag Room Supervisor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bag Room Attendant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bonus Pool	10.00%												
Total Direct Labor Expense	\$ 10,778	\$ 9,987	\$ 14,932	\$ 21,004	\$ 25,028	\$ 24,894	\$ 25,028	\$ 24,984	\$ 25,028	\$ 24,984	\$ 25,028	\$ 24,984	\$ 25,028
Net Cost													
Director of Golf													
Family	1	1	1	1	1	1	1	1	1	1	1	1	1
Single	1	1	1	1	1	1	1	1	1	1	1	1	1
Payroll Taxes	\$ 905	\$ 839	\$ 1,254	\$ 1,764	\$ 2,107	\$ 2,100	\$ 2,170	\$ 2,100	\$ 2,170	\$ 2,100	\$ 2,170	\$ 2,100	\$ 2,170
TOTAL GOLF LABOR	\$ 12,800	\$ 11,943	\$ 17,303	\$ 23,868	\$ 28,307	\$ 28,211	\$ 28,114	\$ 28,211	\$ 28,114	\$ 28,211	\$ 28,114	\$ 28,211	\$ 28,114

Prepared by Billy Casper Golf

REDGATE GOLF CLUB
2012
CALENDAR
FOOD AND BEVERAGE REVENUE

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	TOTAL
REVENUES													
Food & Non-Alcoholic Beverage Sales	\$ 330	\$ 4,538	\$ 10,890	\$ 12,375	\$ 14,355	\$ 12,870	\$ 14,355	\$ 13,860	\$ 12,870	\$ 10,395	\$ 2,940	\$ 660	\$ 96,113
Alcoholic Beverage Sales	\$ 165	\$ 248	\$ 2,723	\$ 5,445	\$ 6,168	\$ 6,435	\$ 7,178	\$ 6,930	\$ 6,435	\$ 5,198	\$ 1,980	\$ 485	\$ 48,418
Banquet Food & Non-Alcoholic Sales	\$ -	\$ -	\$ -	\$ -	\$ 2,520	\$ 5,040	\$ 2,520	\$ 2,520	\$ 6,300	\$ 6,300	\$ 1,260	\$ -	\$ 25,200
Banquet Alcoholic Beverage Sales	\$ -	\$ -	\$ -	\$ -	\$ 1,050	\$ 2,100	\$ 1,050	\$ 525	\$ 2,525	\$ 2,625	\$ 525	\$ -	\$ 10,500
Other F&B Income - Gratuities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other F&B Income - Room Rental/Service Charge/Unused Min	\$ 485	\$ 578	\$ 7,260	\$ 16,335	\$ 22,133	\$ 26,445	\$ 25,103	\$ 22,575	\$ 28,230	\$ 24,518	\$ 6,405	\$ 1,155	\$ 181,230
TOTAL FOOD & BEVERAGE REVENUE	\$ 116	\$ 116	\$ 1,588	\$ 3,812	\$ 4,331	\$ 4,505	\$ 5,024	\$ 4,651	\$ 4,505	\$ 3,658	\$ 924	\$ 231	\$ 33,639
Food & Non-Alcoholic Beverage Cost of Sales	\$ 54	\$ 82	\$ 898	\$ 1,797	\$ 2,042	\$ 2,124	\$ 2,389	\$ 2,287	\$ 2,124	\$ 1,715	\$ 653	\$ 163	\$ 16,308
Alcoholic Beverage Cost of Sales	\$ -	\$ -	\$ -	\$ -	\$ 892	\$ 1,764	\$ 892	\$ 441	\$ 2,003	\$ 2,205	\$ 441	\$ -	\$ 8,920
Banquet Food & Non-Alcoholic Cost of Sales	\$ -	\$ -	\$ -	\$ -	\$ 367	\$ 733	\$ 367	\$ 173	\$ 868	\$ 868	\$ 173	\$ -	\$ 3,465
Banquet Alcoholic Beverage Cost of Sales	\$ 170	\$ 197	\$ 2,487	\$ 5,608	\$ 7,602	\$ 9,085	\$ 8,621	\$ 7,792	\$ 9,999	\$ 8,425	\$ 2,192	\$ 394	\$ 62,232
TOTAL COST OF SALES	\$ 325	\$ 380	\$ 4,773	\$ 10,727	\$ 14,531	\$ 17,380	\$ 16,481	\$ 14,823	\$ 18,531	\$ 16,093	\$ 4,213	\$ 761	\$ 118,988
GROSS INCOME F&B OPERATIONS	\$ 2,790	\$ 2,520	\$ 3,658	\$ 5,220	\$ 6,324	\$ 6,120	\$ 6,324	\$ 6,324	\$ 5,700	\$ 5,022	\$ 3,540	\$ 2,790	\$ 56,332
F&B Operations Direct Labor	\$ 234	\$ 212	\$ 307	\$ 438	\$ 531	\$ 514	\$ 531	\$ 531	\$ 479	\$ 422	\$ 297	\$ 234	\$ 4,732
F&B Operations Payroll Taxes	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 3,864
F&B Operations Medical / Health Benefits	\$ 3,346	\$ 3,054	\$ 4,287	\$ 5,980	\$ 7,177	\$ 6,886	\$ 7,177	\$ 7,177	\$ 6,501	\$ 5,768	\$ 4,158	\$ 3,346	\$ 64,928
TOTAL F&B OPERATIONS LABOR	\$ 760	\$ 2,865	\$ 2,260	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,410	\$ 760	\$ 20,385
TOTAL F&B OPERATIONS LABOR & EXPENSES	\$ 4,106	\$ 5,389	\$ 6,547	\$ 7,740	\$ 8,937	\$ 8,716	\$ 8,937	\$ 8,937	\$ 8,261	\$ 7,526	\$ 5,569	\$ 4,106	\$ 65,323
NET INCOME FROM F&B OPERATIONS	\$ (3,781.31)	\$ (5,559.36)	\$ (1,773.82)	\$ 2,986.17	\$ 5,893.66	\$ 8,643.87	\$ 7,443.98	\$ 5,885.63	\$ 10,269.90	\$ 8,566.98	\$ (1,356.01)	\$ (3,345.71)	\$ 33,675
F&B OPERATING MARGIN	-763.90%	-962.49%	-24.43%	18.28%	25.27%	32.89%	30.05%	26.07%	38.38%	34.96%	-21.17%	-289.67%	18.58%

30%
33%
11%
30%
34%

Actual Cost of Sales - Blended

36%
11%
47%
19%

Total F&B Labor %
Total F&B Expense %
Total F&B Labor and Expense %
NET Operating Margin %

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	TOTAL
FOOD and BEVERAGE REVENUE													
- Rounds of Golf Related	\$ 165	\$ 165	\$ 1,815	\$ 3,630	\$ 4,125	\$ 4,290	\$ 4,785	\$ 4,620	\$ 4,290	\$ 3,485	\$ 1,320	\$ 330	\$ 35,000
- Food & Non-Alcoholic Sales Per Golf Round	\$ 330	\$ 330	\$ 4,538	\$ 10,890	\$ 12,375	\$ 12,870	\$ 14,355	\$ 13,860	\$ 12,870	\$ 10,395	\$ 2,940	\$ 660	\$ 96,113
- Alcohol Sales Per Golf Round	\$ 165	\$ 248	\$ 2,723	\$ 5,445	\$ 6,168	\$ 6,435	\$ 7,178	\$ 6,930	\$ 6,435	\$ 5,198	\$ 1,980	\$ 485	\$ 48,418
- Outing Rounds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 210	\$ 420	\$ 210	\$ 210	\$ 105	\$ 525	\$ 105	\$ 0	\$ 2,100
- Avg Food & NA Bev Per Cover	\$ 2.00	\$ 2.00	\$ 2.50	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 2.50	\$ 2.50	\$ 25,200
- Avg Alcohol Per Cover	\$ 1.00	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 1.50	\$ 15,500
- Gratuity % to House	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
- Other F and B Revenue - Non Rounds Related													
- A la Carte Luncheon	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Avg Food & NA Bev Per Cover	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Avg Alcohol Per Cover	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- A la Carte Dinners	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Avg Food & NA Bev Per Cover	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Avg Alcohol Per Cover	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Banquet Covers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Avg Food & NA Bev Per Cover	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Avg Alcohol Per Cover	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Gratuity % to House	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Unused Minimums	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Room Rental Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Other F&B Rental Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FOOD & BEVERAGE REVENUE	\$ 495	\$ 578	\$ 7,260	\$ 16,335	\$ 22,133	\$ 26,445	\$ 25,103	\$ 22,575	\$ 28,230	\$ 24,518	\$ 6,405	\$ 1,155	\$ 181,230

REDGATE GOLF CLUB
2012

FOOD AND BEVERAGE EXPENSE

GL CODE	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	365
5008-80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5009-80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5107-80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5108-80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5303-80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5405-80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5236-80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
5237-80	\$ 2,790	\$ 2,520	\$ 2,790	\$ 2,700	\$ 2,790	\$ 2,700	\$ 2,790	\$ 2,790	\$ 2,700	\$ 2,790	\$ 2,700	\$ 2,790	\$ 32,850
5238-80	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00
5239-80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
5240-80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
5241-80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
5242-80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
5243-80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
5244-80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
5245-80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
5246-80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Total Direct Labor Expense	\$ 2,790	\$ 2,520	\$ 3,658	\$ 5,220	\$ 6,324	\$ 6,120	\$ 6,324	\$ 6,324	\$ 5,700	\$ 5,022	\$ 3,540	\$ 2,790	\$ 56,332
- Benefits	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 322	\$ 3,664
- Payroll Taxes	\$ 234	\$ 212	\$ 307	\$ 458	\$ 551	\$ 514	\$ 514	\$ 551	\$ 479	\$ 422	\$ 287	\$ 234	\$ 4,732
TOTAL FOOD AND BEVERAGE LABOR	\$ 3,346	\$ 3,054	\$ 4,287	\$ 5,980	\$ 7,177	\$ 6,866	\$ 7,177	\$ 7,177	\$ 6,501	\$ 5,766	\$ 4,159	\$ 3,346	\$ 64,928
Total Labor as % of Revenue	676%	528%	59%	37%	32%	28%	29%	32%	23%	24%	85%	290%	36%

Months	Ann Salary
12	\$ -
12	\$ -
12	\$ -
12	\$ -

Months	Ann Salary
5.00%	\$ -
0.00%	\$ -

\$0.00

\$15.00

\$10.00

\$0.00

\$0.00

\$0.00

\$0.00

\$7.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

# of People Covered	Cost Per Month
0	\$ 795
1	\$ 322
	8.44%

Family	Single
0	0
1	0

Total Labor as % of Revenue

Item # 6

D-87

REDGATE GOLF CLUB
2012

FOOD AND BEVERAGE EXPENSE

GL CODE	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	TOTAL
6001-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6002-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6003-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6004-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6005-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6101-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6102-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6103-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6107-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6109-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6110-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6111-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6112-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6201-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6202-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6203-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6301-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6303-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6304-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6305-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6307-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6312-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6314-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6402-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6405-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6406-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6407-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6408-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6409-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6501-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6505-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6601-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6602-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6603-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6604-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6605-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6606-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6607-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6608-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6609-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6611-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6801-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6803-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6905-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
7000-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
7205-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
7403-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
7407-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
8001-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
8002-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
8009-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
8012-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
8013-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
8000-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9000-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9009-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9010-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9012-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9013-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9014-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9015-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9016-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9017-80	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL	\$ 760	\$ 2,985	\$ 2,260	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,760	\$ 1,410	\$ 760	\$ 20,395
TOTAL FOOD AND BEVERAGE - LABOR AND OTHER EXPENSES	\$ 4,106	\$ 5,939	\$ 6,547	\$ 7,740	\$ 6,937	\$ 8,716	\$ 8,937	\$ 8,937	\$ 8,261	\$ 7,526	\$ 5,569	\$ 4,106	\$ 85,322
Food and Beverage Contribution	(3,761)	(3,586)	(1,774)	2,985	5,994	8,644	7,544	5,886	10,270	8,567	(1,356)	(3,366)	35,617
Food and Beverage Contribution Percentage %	-764%	-362%	-24%	16%	23%	35%	30%	26%	36%	35%	-21%	-280%	18%

TOTAL FOOD AND BEVERAGE OTHER EXPENSES

Item # 6

REDGATE GOLF CLUB
2012
CALENDAR

GOLF COURSE MAINTENANCE EXPENSE

GL CODE	Total Pays for Month												Total	
	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11		
5007-60	\$ 6,370	\$ 5,753	\$ 6,370	\$ 6,164	\$ 6,370	\$ 6,164	\$ 6,370	\$ 6,370	\$ 6,164	\$ 6,370	\$ 6,164	\$ 6,370	\$ 6,370	\$ 75,000
5104-60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5220-60	\$ 3,597	\$ 3,855	\$ 3,597	\$ 3,597	\$ 3,597	\$ 3,597	\$ 3,597	\$ 3,597	\$ 3,597	\$ 3,597	\$ 3,597	\$ 3,597	\$ 3,597	\$ 43,522
5221-60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5223-60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5224-60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5225-60	\$ 2,428	\$ 2,428	\$ 2,428	\$ 2,723	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,723	\$ 2,428	\$ 2,723	\$ 2,428	\$ 2,428	\$ 30,709
5227-60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5228-60	\$ 5,300	\$ 5,300	\$ 5,300	\$ 5,129	\$ 5,300	\$ 5,129	\$ 5,300	\$ 5,300	\$ 5,129	\$ 5,300	\$ 5,129	\$ 5,300	\$ 5,300	\$ 41,884
5230-60	\$ 3,533	\$ 3,533	\$ 3,533	\$ 3,419	\$ 3,533	\$ 3,419	\$ 3,533	\$ 3,533	\$ 3,419	\$ 3,533	\$ 3,419	\$ 3,533	\$ 3,533	\$ 27,923
5231-60	\$ -	\$ -	\$ -	\$ 3,248	\$ 3,356	\$ 3,248	\$ 3,356	\$ 3,356	\$ 3,248	\$ 3,356	\$ 3,248	\$ 3,356	\$ 3,356	\$ 16,666
5501-60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,600
	\$ 12,385	\$ 12,136	\$ 21,228	\$ 21,032	\$ 24,756	\$ 24,157	\$ 24,756	\$ 24,756	\$ 24,280	\$ 21,228	\$ 24,884	\$ 15,695	\$ 239,104	
5503-60	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 1,439	\$ 17,266
5502-60	\$ 1,041	\$ 1,019	\$ 1,783	\$ 1,767	\$ 2,080	\$ 2,029	\$ 2,080	\$ 2,080	\$ 2,040	\$ 1,783	\$ 1,049	\$ 1,335	\$ 20,085	
	\$ 14,875	\$ 14,595	\$ 24,450	\$ 24,238	\$ 28,274	\$ 27,625	\$ 28,274	\$ 28,274	\$ 27,759	\$ 24,450	\$ 14,972	\$ 18,669	\$ 276,455	

CLUB INFO

GOLF COURSE MAINTENANCE

Crew #	Ann'Sal/Hrly	Daily Hours
1	\$ 75,000	Salary
0	\$ -	Salary
0	\$ -	8.0
1	\$ 23,000	8.0
0	\$ -	8.0
0	\$ -	8.0
0	\$ -	8.0
1	\$ 14,000	8.0
0	\$ -	8.0
3	\$ 10,000	8.0
2	\$ 10,000	8.0
2	\$ 9,500	8.0
10	\$ 10,000%	Superintendent

Total Direct Labor Expense

# of People Covered	Cost Per Month
1	\$ 795
2	\$ 322
	8.4%

Benefits

Family Single

Payroll Taxes

TOTAL GOLF COURSE MAINTENANCE LABOR

Golf Course Maintenance Other Expenses

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Total
6001-60 \$	500	500	500	500	500	500	500	500	500	500	500	500	6,000
6002-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6003-60 \$	100	100	100	100	100	100	100	100	100	100	100	100	1,200
6004-60 \$	70	70	70	70	70	70	70	70	70	70	70	70	840
6005-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6007-60 \$	500	500	750	1,000	1,000	1,750	1,750	2,000	1,750	1,250	500	500	13,250
6008-60 \$	-	-	-	500	1,000	4,000	6,000	8,000	3,000	1,500	500	500	25,000
6101-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6102-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6103-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6106-60 \$	-	-	1,000	100	-	-	-	-	-	250	-	-	1,250
6107-60 \$	-	-	2,400	100	-	-	-	-	-	100	-	-	2,800
6108-60 \$	75	75	75	75	75	75	75	75	75	75	75	75	900
6201-60 \$	50	50	50	50	50	50	50	50	50	50	50	50	600
6202-60 \$	2,000	2,000	2,000	2,000	2,500	2,500	2,500	2,500	2,500	2,500	1,750	1,500	26,250
6203-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6205-60 \$	-	-	400	400	600	600	600	600	600	400	200	200	4,600
6207-60 \$	-	-	195	195	195	195	195	195	195	345	195	195	2,490
6402-60 \$	-	-	-	-	350	350	350	-	350	-	-	-	1,750
6403-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6405-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6406-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6502-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6504-60 \$	75	75	75	75	75	75	75	75	75	75	75	75	900
6601-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6602-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6603-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6604-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6605-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
6606-60 \$	-	-	750	-	-	-	-	-	-	-	-	-	1,250
6607-60 \$	-	-	1,000	-	-	-	-	-	-	-	-	-	1,250
6608-60 \$	-	-	-	-	-	-	-	250	-	-	-	-	500
6609-60 \$	-	-	-	250	-	-	-	-	-	-	-	-	1,820
6801-60 \$	-	-	180	180	180	180	180	180	180	180	180	180	2,160
7000-60 \$	-	-	-	-	-	13,000	13,000	13,000	4,000	3,000	-	-	57,000
7001-60 \$	-	-	-	3,000	8,000	13,000	13,000	-	-	-	-	-	-
7002-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7003-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7004-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7005-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7006-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7007-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7008-60 \$	-	-	-	1,537	3,250	2,000	2,000	2,000	2,000	1,873	-	-	14,660
7009-60 \$	-	-	523	374	982	523	437	474	1,043	478	560	-	5,394
7010-60 \$	-	-	388	425	386	236	236	236	294	219	-	-	2,609
7011-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7012-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7013-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7101-60 \$	-	-	2,400	-	900	-	-	-	-	-	-	-	3,300
7102-60 \$	-	-	-	2,000	-	-	-	-	2,000	-	-	-	4,000
7103-60 \$	-	-	-	800	-	-	-	-	800	-	-	-	1,600
7104-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7105-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
7106-60 \$	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
7201-60 \$	1,600	1,600	-	-	-	-	-	-	-	-	-	-	4,700
7202-60 \$	50	50	50	50	50	50	50	50	50	50	50	50	600
7203-60 \$	-	-	-	-	-	200	-	-	-	-	-	-	200
7204-60 \$	-	-	650	3,500	3,500	3,500	3,500	650	-	-	-	-	1,300
7205-60 \$	500	500	-	-	-	-	-	-	-	-	-	-	2,400
7206-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
8009-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
8012-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
9000-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
9007-60 \$	-	-	500	-	-	-	-	-	-	-	-	-	500
9513-60 \$	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL GOLF COURSE MAINTENANCE OTHER EXPENSES	\$ 6,715	\$ 7,465	\$ 18,286	\$ 18,181	\$ 25,263	\$ 31,454	\$ 32,768	\$ 36,455	\$ 23,372	\$ 14,915	\$ 7,524	\$ 5,515	\$ 225,900
TOTAL GOLF COURSE MAINTENANCE LABOR AND OTHER EXPENSES	\$ 21,690	\$ 22,060	\$ 40,736	\$ 42,419	\$ 53,537	\$ 59,079	\$ 61,042	\$ 64,729	\$ 51,131	\$ 39,365	\$ 22,496	\$ 24,184	\$ 502,740

**REDSGATE GOLF CLUB
2012 CALENDAR
CONTRACT / CAPITAL EXPENSE or START UP ITEMS**

CLUB INFO

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL
CAPITAL ITEMS											
Driving Range Concrete	\$ 10,000										\$ 10,000
Driving Range Mats	\$ 5,000										\$ 5,000
Driving Range Distance Markers/Ball Machine	\$ 10,000										\$ 10,000
POS	\$ 20,000										\$ 20,000
Tournament & Outing Pavilion	\$ 70,000										\$ 70,000
Clubhouse Improvements/Fixtures/Paint	\$ 30,000										\$ 30,000
Bunkers		\$ 80,000	\$ 60,000								\$ 140,000
Restrooms											\$ 30,000
Cart Paths		\$ 10,000	\$ 25,000	\$ 25,000							\$ 60,000
Tree Work		\$ 15,000	\$ 15,000								\$ 30,000
Slurry Seal & Stripe Parking Lot			\$ 30,000								\$ 30,000
Equipment Needs						\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 150,000
Capex											\$ -
Subtotal Contract Expense or Start Up Items	\$ 175,000	\$ 85,000	\$ 130,000	\$ 25,000	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 565,000

Total "ON"

I. CAPITAL IMPROVEMENT PLANS

Below is a schedule of the initial capital investment by BCG and the annual capital contributions projected based on two and half (2.5%) percent of gross revenues. In addition, BCG has provided a list of those items that are under consideration. BCG will evaluate all other capital expenditures and in discussion with the City, schedule needed capital improvements to maintain the assets.

	BCG Capital Investment	Projected Capital Fund
Year 1	\$175,000	
Year 2		\$39,707
Year 3		\$42,079
Year 4		\$42,966
Year 5		\$43,540
Year 6		\$44,461
Year 7		\$45,403
Year 8		\$46,366
Year 9		\$46,993
Year 10		\$47,993

Year 1- \$175,000 – BCG Initial Capital Investment

Tournament Outing/Pavilion Area	\$70,000
Driving Range Upgrades/Supplies/Increased Teeing Area	\$25,000
Integrated POS/Tee Time Reservation System:	\$20,000
Clubhouse Interior/Paint/Fixtures - Upgrade	\$30,000
Restrooms	\$30,000

Years 2 to 5

Consideration of Green's Renovation TBA

BCG shall evaluate the existing greens through the 2012 season to determine if a greens renovation is necessary. BCG suspects that improved cultural practices shall ensure the playing conditions desired.

Cart Paths	\$60,000
Parking Lot Resurface	\$30,000
Bunker Renovation	\$120,000
Tree Limbing and Removal	\$30,000

Years 6 to 10

Equipment Replacement: \$150,000

Based on the preliminary information provided replacements of the existing fleet will be necessary to ensure quality.

CAPITAL IMPROVEMENT EXPERIENCE

BCG has **extensive experience with capital projects**, including development and construction of courses. Capital spending typically exceeds \$4 million annually at BCG-managed facilities nationwide. BCG places significant emphasis on planning and executing projects to **ensure the physical integrity and competitive position of its courses are enhanced and maintained**. This process is critically important in increasingly competitive golf markets. All BCG-managed facilities undergo capital planning review semi-annually.

RedGate will benefit from BCG's extensive experience and knowledge in planning for and completing capital projects. Both the City and BCG possess the knowledge that all projects will be well-planned and well-executed, allowing for increased revenue-generation, improved perception and asset preservation at RedGate.

Examples of Recent Capital Projects

A sampling of recent capital projects – all of which occurred while the facility remained open for play – include:

- **Cranbury Golf Club (West Windsor, New Jersey)** – BCG managed the renovation of all bunkers, tee complexes, and driving range, and interior renovations of clubhouse for the semi-private 18-hole golf course.
- **Reston National Golf Course (Reston, Virginia)** – BCG managed the interior renovation of clubhouse and complete renovation/expansion of Nike Golf Learning Center practice facilities (driving range, short game area, teaching areas), and renovation of all bunkers on the daily-fee 18-hole golf course.
- **Whittle Springs Golf Course (Knoxville, Tennessee)** – BCG managed and installed a new irrigation system and renovation of green complexes in the first full year of operation.
- **Bent Creek Golf Course (Jacksonville, Florida)** – BCG completely renovated all bunkers, and updated the hydraulic irrigation system to include satellite boxes and computer central.
- **1757 Golf Club (Dulles, VA)** – BCG is currently managing the construction of six new holes, two putting greens, driving range, new maintenance building and cart storage facility.
- **Rock Manor Golf Course (Wilmington, Delaware)** – BCG oversaw the facility enhancements which included new tee boxes, bunkers and fairways in addition to a state-of-the-art irrigation system for top playing conditions all season. A circa 1921 building was also restored to retain the flavor of its original structure, and serves as Rock Manor's clubhouse. A grill room and separate pub provide comfortable dining for golfers and non-golfers. For golf tournaments, weddings and other social engagements, a new outing pavilion makes Rock Manor a premium events destination.
- **Ka'anapali Golf Resort (Maui, Hawaii)** – BCG managed a complete make-over of this resort destination by renovating two 18-hole courses, clubhouse and dining facilities. Golf course improvements included the addition of new bunkers and the renovation of existing bunkers, cart path resurfacing and expansion and the implementation of a successful turf management program which resulted in improved playing conditions. Facility improvements included re-design of the restaurant and clubhouse (exterior & interior). The project culminated in a grand re-opening of a world class golf resort.

J. REFERENCES

BCG provides the following references from clients with similar facilities who can speak to our firm's and to our key management personnel's capabilities in operating public golf facilities. BCG can provide additional references if deemed necessary.

Franklin Chaney, Chief of Recreation Services Anne Arundel County Recreation and Parks

44 Calvert Street
Annapolis, MD 21401
Telephone: 410.222.7300
Client Since: 1997
Service: Full Service Management
Courses: Eisenhower Golf Course (1997 – 2005 w/MEDCO)
Compass Pointe Golf Courses (2003 – 2005 w/MEDCO)

Tracy Hannigan, Recreational Services Director

Prince William County
14420 Bristow Rd.
Manassas, VA 20112
Telephone: 703.792.5786
Client Since: 2011
Service: Full Service Management
Course: Prince William Golf Course, Forest Greens Golf Course, Generals Ridge
Golf Course

Bob Merrill

Assistant Community Services Administrator, New Castle County

87 Reads Way
New Castle, DE 19720
Telephone: 302.395.5845
Service: Full Service Management
Client Since: 2009
Course: Delcastle Golf Club

Bob Thompson, General Manager

Ocean Pines Association, Inc

239 Ocean Parkway
Ocean Pines, MD 21811
Telephone: 410.641.7717 x 3001
Client Since: 2010
Service: Full Service Management
Course: Ocean Pines Golf Course

**Stephen J. Pacella, PGA, Superintendent of Recreation, Administration
Cincinnati Recreation Commission**

805 Central Avenue, Suite 800

Cincinnati, OH 45202

Telephone: 513.352.4961

Client Since: 2003

Service: Full Service Management

Course: Avon Fields Golf Course, California Golf Course, Dunham Golf Course,
Glenview Golf Course, Neumann Golf Course, Reeves Golf Course, Woodland Golf
Course

**W. Randy Wright, Councilman
City of Norfolk**

810 Union Street

Norfolk, VA 23510

Telephone: 757.466.1476

Client Since: 2005

Service: Full Service Management

Course: Ocean View Golf Course

**Tom Czerniecki, Township Administrator
Evesham Township**

984 Tuckerton Road

Marlton, NJ 08053

Telephone: 856.983.2900

Client Since: 2005

Service: Full Service Management

Course: Indian Spring Country Club

K. OTHER MISCELLANEOUS REQUIRED ELEMENTS

ATTACHMENTS A-C

ATTACHMENT A

A F F I D A V I T

I hereby affirm that:

I am the Senior Vice President and the duly authorized representative of the firm of Billy Casper Golf, LLC whose address is 8400 Boone Blvd. Ste. 350, Vienna, VA 22182 and that I possess the legal authority to make this affidavit on behalf of myself and the firm for which I am acting.

I further affirm:

AFFIDAVIT OF QUALIFICATION TO CONTRACT WITH A PUBLIC BODY

1. Except as described in Paragraph 2 below, neither I nor the above firm nor, to the best of my knowledge, any of its controlling stockholders, officers, directors, or partners, performing contracts with any public body (the State or any unit thereof, or any local governmental entity in the state, including any bi-county or multi-county entity), has:

A. been convicted under the laws of the State of Maryland, any other state, or the United States of any of the following:

- (1) bribery, attempted bribery, or conspiracy to bribe.
- (2) a criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract.
- (3) fraud, embezzlement, theft, forgery, falsification or destruction of records, or receiving stolen property.
- (4) a criminal violation of an anti-trust statute.
- (5) a violation of the Racketeer Influenced and Corrupt Organization act, or the Mail Fraud Act, for acts in connection with the submission of bids or proposals for a public or private contract.
- (6) a violation of Section 14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland.
- (7) conspiracy to commit any of the foregoing.

B. pled nolo contendere to, or received probation before verdict for, a charge of any offense set forth in subsection A of this paragraph.

C. been found civilly liable under an anti-trust statute of the State of Maryland, another state, or the United States for acts or omissions in connection with the submission of bids or proposals for a public or private contract.


D. during the course of an official investigation or other proceeding, admitted, in writing or under oath, an act or omission that would constitute grounds for conviction or liability under any law or statute described in subsection A or C of this paragraph.

2. [State "none," or as appropriate, list any conviction, plea or admission as described in Paragraph 1 above, with the date, court, official or administrative body, the individuals involved and their position with the firm, and the sentence or disposition, if any]. _____

3. I further affirm that neither I nor the above firm shall knowingly enter into a contract with the Mayor and Council of Rockville under which a person or business debarred or suspended from contracting with a public body under Title 16 of

I do solemnly declare and affirm under the penalties of perjury that the contents of these affidavits are true and correct.

Signature and Title


Senior Vice President

Date **6/29/11**

the State Finance and Procurement Article of the Annotated Code of Maryland, will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

I acknowledge that this Affidavit is to be furnished to the Mayor and Council of Rockville and, where appropriate, to the State Board of Public Works and to the Attorney General. I acknowledge that I am executing this Affidavit in compliance with the provisions of Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland which provides that persons who have engaged in certain prohibited activity may be disqualified, either by operation in law or after a hearing, from entering into contracts with the Mayor and Council of Rockville. I further acknowledge that if the representations set forth in this Affidavit are not true and correct, the Mayor and Council of Rockville may terminate any contract awarded, and take any other appropriate action.

NON—COLLUSION AFFIDAVIT

1. Am fully informed respecting the preparation and contents of the attached bid and of all pertinent circumstances respecting such bid;

2. Such bid is genuine and is not a collusive or sham bid

3. Neither the said bidder nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other bidder, firm or person to submit a collusive or sham bid in connection with the Contract for which the attached bid has been submitted or to refrain from bidding in connection with Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other bidder, firm or person to fix the price or prices in the attached bid or of any other bidder, or to fix any overhead, profit or cost element of the bid price or the bid price of any other bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the Mayor and Council of Rockville, Maryland (Local Public Agency) or any person interested in the proposed Contract; and

4. The price or prices quoted in the attached bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

COMPLETE THIS FORM AND RETURN WITH YOUR BID PROPOSAL

ATTACHMENT B



**CITY OF ROCKVILLE
EXECUTION OF OFFER FORM**

REQUEST FOR PROPOSAL #43-11

THIS FORM MUST BE COMPLETED, SIGNED AND RETURNED WITH YOUR PROPOSAL

OFFEROR AGREES TO PERFORM ALL WORK AS SET FORTH IN THIS REQUEST FOR PROPOSAL, AND IN ACCORDANCE WITH THE TERMS AND CONDITIONS AT THE PRICES SUBMITTED.

INDICATE IF YOUR FIRM IS SUBMITTING A PROPOSAL FOR:

Full Service Management Agreement

Operating Lease

If requested, the offeror will furnish bonding with the following company as surety:

Name of Surety Company Delmarva Surety
Address and Phone Number 2345 York Rd. #B12 Timonium, MD 21093 410-561-3593

Please list the offerors insurance agent who shall provide the insurance policies required herein.

Name of Agency Wells Fargo Insurance
Address and Phone Number 1401 H St. NW, 7th Floor, Washington, DC 20005 202-772-4214
Contact Person Jon Stewart

EXECUTION

THE OFFEROR IS HEREBY NOTIFIED THAT THIS DOCUMENT SHALL BE SIGNED IN INK IN ORDER FOR THE PROPOSAL TO BE ACCEPTED. BY SIGNING, THE OFFEROR CERTIFIES THAT HE/SHE WILL COMPLY IN EVERY ASPECT WITH THE REQUEST FOR PROPOSAL, ADDENDUMS, PROPOSAL, ANY AND ALL E-MAILS/LETTERS OF CLARIFICATION, BAFO AND CONTRACT.

The proposal, if submitted by an individual, shall be signed by an individual; if submitted by a partnership, shall be signed by such member or members of the partnership as have authority to bind the partnership; if submitted by a corporation the same shall be signed by the President and attested by the

RFP #43-11 REDGATE GOLF COURSE

Secretary or an Assistant Secretary. If not signed by the President as aforesaid, there must be attached a copy of that portion of the By-Laws, or a copy of a Board resolution, duly certified by the Secretary, showing the authority of the person so signing on behalf of the corporation. In lieu thereof, the corporation may file such evidence with the Administration, duly certified by the Secretary, together with a list of the names of those officers having authority to execute documents on behalf of the corporation, duly certified by the Secretary, which listing shall remain in full force and effect until such time as the Administration is advised in writing to the contrary. In any case where a proposal is signed by an Attorney in Fact the same must be accompanied by a copy of the appointing document, duly certified.

IF AN INDIVIDUAL:

NAME: _____

Street and/or P.O. Box

City	State	Zip Code	Fed ID or SSN
------	-------	----------	---------------

_____ (SEAL)

Signature	Date
-----------	------

Print Signature

WITNESS: _____

Signature

Print Signature

IF A PARTNERSHIP:

NAME OF PARTNERSHIP: _____

Street and/or P.O. Box

City	State	Zip Code	Fed ID or SSN
------	-------	----------	---------------

BY: _____ (SEAL)

Signature	Date
-----------	------

Print Signature

TITLE: _____ WITNESS: _____

Signature

Print Signature

RFP #43-11 REDGATE GOLF COURSE

IF A CORPORATION:

NAME OF CORPORATION: Billy Casper Golf, LLC

8300 Boone Blvd. Ste. 350

Street and/or P.O. Box

Vienna, VA 22182 86-1092316

City

State

Zip Code

Fed ID or SSN

STATE OF INCORPORATION: Virginia

BY:  (SEAL) 6/29/11

Signature

Date

Peter M. Hill

Print Signature

TITLE: Chairman & CEO WITNESS: 

Secretary's Signature

Robert C. Morris

Print Signature

REMITTANCE ADDRESS (if different than above)

Street and/or P.O. Box

City State Zip Code

NOTE: Firms must use their FULL LEGAL name. Generally, a corporation's name must end with a suffix indicating the corporate status of that business (i.e., Inc., Co., Corp., etc.). Individuals or corporations may indicate trade names with the individual or corporate name followed by "t/a" (trading as) or "d/b/a" (doing business as), respectively. Failure to use your FULL LEGAL name may be cause for rejection of the proposal.

ATTACHMENT C

RESPONDENT'S QUESTIONNAIRE

The Respondent recognizes that in selecting a company/agent, The City of Rockville will rely, in part, on the answers provided in response to this Questionnaire. Accordingly, offeror warrants to the best of its knowledge that all responses are true, correct and complete inquiry.

Company Profile

1. Number of Years in Business: 22
2. Number of Employees: Approx 7000 (company wide) Number of Employees: 50 (servicing location)
3. Annual Sales Volume: _____ (company wide) Annual Sales Volume: NA (servicing location)
Year 2010 - Gross Revenue = \$50,650,000
4. State that you will provide a copy of your company's audited financial statements for the past two (2) years, if requested by the City of Rockville.

BCG is willing to provide further financial information as requested by the City of Rockville.

5. Provide a financial rating of your company and any documentation (such as a Dunn and Bradstreet Analysis), which indicates the financial stability of your company, if requested by the City of Rockville.

BCG is willing to provide further financial information as requested by the City of Rockville.

6. Is your company currently for sale or involved in any transaction to expend or to become acquired by another business entity? If yes, please explain the impact both in organizational and directional terms.

No

7. Provide any details of all past or pending litigation or claims filed against your company that would negatively impact your company's performance under an agreement with The City of Rockville.

BCG has no litigation or claims against us that would negatively impact our performance under an agreement with the City of Rockville.

8. Is your company currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, specify date(s), details, circumstances, and prospects for resolution.

No

9. Has your company or any its principals or individuals associated with the Offeror ever declared bankruptcy? If yes, please explain.

No



City of Greenville, North Carolina

Meeting Date: 5/7/2012
Time: 6:00 PM

Title of Item: Establishment of fair market value of City-owned property in Paramore Park

Explanation: At the March 5, 2012, meeting of City Council, staff was authorized to work with a real estate appraiser to determine the value of 958.32 square feet (.22 acres) of City-owned property in Paramore Park. Baxter and Margaret Myers made a formal request to City staff to acquire this property to allow an addition to their home at 4113 Parmer Place. A copy of the March 5, 2012, City Council agenda item is attached for your reference.

Following the action of City Council on March 5, 2012, staff engaged the services of Andy Piner of Moore and Piner, LLC, to prepare the appraisal report. On March 28, 2012, Mr. Piner submitted his report and determined that the portion of City-owned property requested for purchase by Mr. and Mrs. Myers has a value of \$550.00.

Based upon action of City Council at the March 5, 2012, meeting, the Council must determine if the value of the parcel as determined by Mr. Piner represents the true value. If so, City Council should establish the fair market value for the requested parcel at \$550.00. Then, staff will start the sealed bid process and bring the successful bid back to City Council for final action.

Fiscal Note: Approximately \$200.00 in advertising costs.

Recommendation: Establish fair market value for the specified portion of City-owned property at \$550.00 and authorize staff to start the sealed bid process for the same.

Attachments / click to download

 [March 5, 2012 Myers Council agenda material](#)

 [Paramore Park Property Appraisal](#)



City of Greenville, North Carolina

Meeting Date: 3/5/2012
Time: 6:00 PM

Title of Item: Request by Baxter and Margaret Myers for the sale of City-owned property

Explanation: Baxter and Margaret Myers have made a request to acquire .022 acres (958.32 square feet) of City-owned property adjacent to their property at 4113 Parmer Place (letter attached). The City-owned property is located within the Paramore Park. The need for the property is to allow an addition to the Myers' home at 4113 Parmer Place.

The Parmer Place subdivision was developed under the "Detached Multi-Family" provisions of the City zoning ordinance, which requires that a 20-foot peripheral setback be maintained for all structures. The Myers' home expansion involves encroachment into the required setback. Therefore, additional property is needed in order to undertake the desired home improvements.

The Myers have discussed their plans with Mr. Bill Clark, who dedicated the land for the adjacent park and the Parmer Place Homeowners Association. Mr. Clark and the Parmer Place Homeowners Association have indicated approval of the plans and have provided letters demonstrating their support (attached).

If City Council decides to authorize the sale, fair market value of the property being sought by Mr. and Mrs. Myers must be established by City Council by means of an appraisal. Mr. Myers has indicated he will cover the cost of the appraisal. At a subsequent City Council meeting, staff will provide the appraisal report to City Council to establish value. Then, staff will advertise the property for sale using sealed bids. Upon receipt of bids, the high bid would be reviewed by the City Council for consideration and authorization of sale.

City Council should consider receiving a recommendation on the proposed sale from the Recreation and Parks Commission.

Fiscal Note: Approximately \$200 in advertising costs. Appraisal cost to be paid by Baxter and Margaret Myers.

Recommendation: If City Council agrees to authorize the sale of the property, City Council should instruct staff to determine the value of the property with the completion of an appraisal report.

City Council should also determine if a recommendation on the proposed sale from the Recreation and Parks Commission is desired.

Viewing Attachments Requires Adobe Acrobat. [Click here to download.](#)

Attachments / click to download

[Baxter Myers Request Letter](#)

[Myers Map](#)

MARGARET S. and BAXTER J. MYERS, JR.
4113 Parmer Place • Greenville, North Carolina 27858
252-355-7430 (h) • 252-412-2844 (c) • baxterm@suddenlink.net

February 8, 2012

*Hand Delivered
2/20/2012
BTM*

Mr. Wayne Bowers,

City Manager and

The City Council of Greenville

Ladies and Gentlemen:

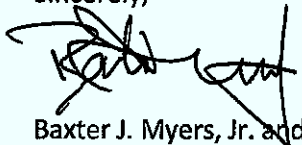
The purpose of this letter is to ask for your approval for us to acquire an additional 7.5 feet by a maximum of 89 feet of property located adjacent to the rear of our home in Parmer Place. In order to accomplish this, we request that the City sell a portion of the land to The Homeowners Association (or Baxter J. and Margaret Myers) in order to alter the 20' peripheral boundary setback at Parmer Place.

1. We understand that this will go to Council and they will vote on it and make a recommendation to have the property appraised at the expense of the Myers'.
2. The City will then offer to sell the property at the Courthouse Steps or through Public notification as either are required.
3. Mr. and Mrs. Myers or the Homeowners Association will purchase the property from the city.
5. The site plan and the final plat showing the addition of land and the change in the peripheral setback will be refilled as required by the City.

Finally, the HOA Board of Parmer Place has approved this process and agreed to act as agent for the transaction in order for the HOA to acquire the requisite footage of city parkland. Also Mr. Bill Clark, who deeded the parkland to the City, has agreed to the reduction of footage in the tract originally deeded. Copies of letters of approval will be provided by the HOA and Mr. Clark.

We thank you for your prompt attention and approval of this process.

Sincerely;

 Margaret P. Myers
Baxter J. Myers, Jr. and Margaret P Myers

CC: Mr. Dave Holec

*Mr. Bill Clark
Bill Clark Homes
200 E. Arlington Blvd.
Suite A
Greenville, NC 27858*


February 8, 2012

Mr. Wayne Bowers,
City Manager and
The City Council of Greenville

Ladies and Gentlemen:

This letter is to advise and confirm that I and my Company agree to the use of 7.5' by a maximum of 89' feet, located behind the Myers home at 4113 Parmer Place in the Parmer Place Homes in the City of Greenville, to be converted to common area and deeded to the Parmer Place Homeowners' Association. This acquisition of this footage will result in the HOA acquiring this parcel currently located within the City parkland area located behind the Myers home and adjacent to the HOA common area. The cost to complete this transaction will be borne by the Myers'.

Sincerely;

Mr. Bill Clark


Bill Clark Homes

CC: Mr. Dave Holec, City Attorney

Mr. and Mrs. BJ Myers

Parmer Place HomeOwners Association.

February 1, 2012

**Mr. Wayne Bowers,
City Manager and
The City Council of Greenville**

Ladies and Gentlemen:

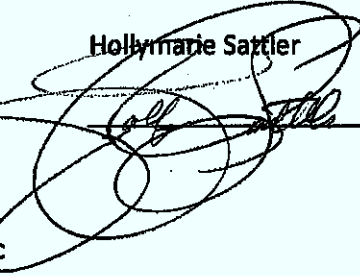
This letter is to advise and confirm that the homeowners association of Parmer Place will act as the agent for the Myers at 4113 Parmer Place in order for them to acquire an additional 7.5 by 89 feet located to the rear of their home. The acquisition of this footage will result in the HOA acquiring the same amount of square footage currently located within the City parkland area located behind the Myers home and adjacent to the HOA common area. The cost to complete this transaction will be borne by the Myers'.

The Parmer Place Homeowners Association Board of Directors

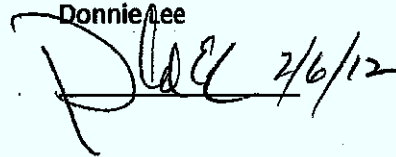
Morris Moye



Hollymarie Sattler

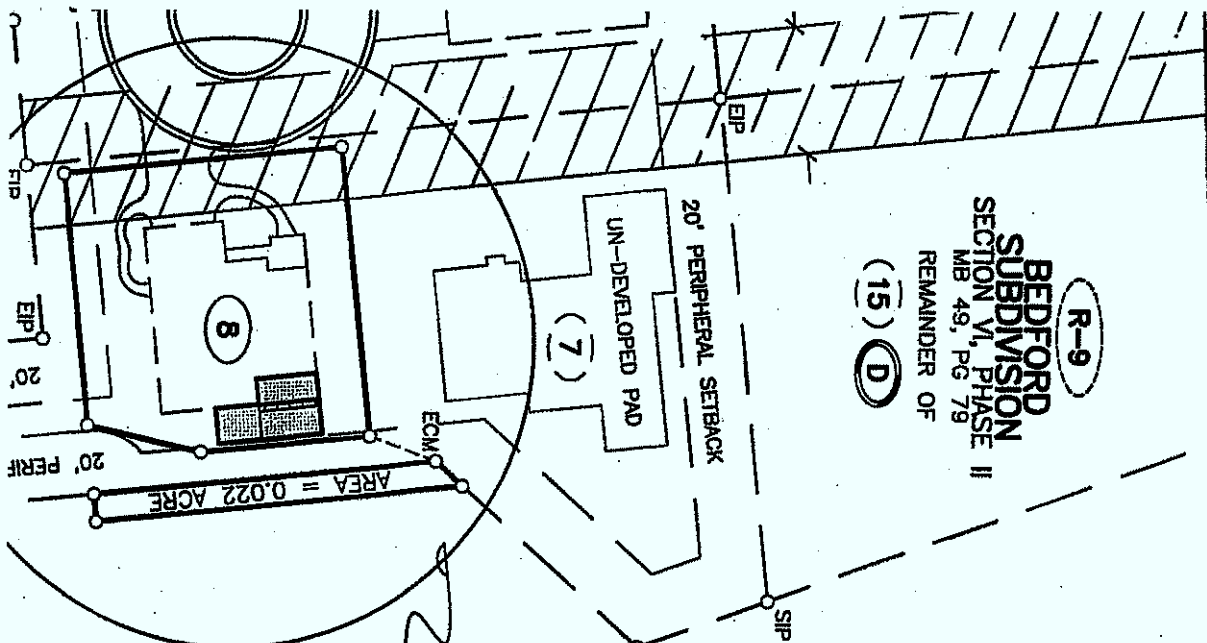


Donnie Lee



CC: Mr. Dave Holec

ROAD
(8 PUBLIC)



R-9
BEDFORD
SUBDIVISION
 SECTION VI, PHASE II
 MB 49, PG 79
 REMAINDER OF
 (15) (D)

SEE DETAIL "A"

R-6A
"PARK"
CITY OF GREENVILLE
 DB 1754, PG 30



MOORE & PINER, LLC
Commercial Real Estate Services

COLLICE C. MOORE, MAI
ANDY E. PINER
WILLIAM H. PINER
COLLICE C. MOORE, JR.

P.O. BOX 7183
1105-A CORPORATE DRIVE
GREENVILLE, NC 27835-7183
TELEPHONE (252) 752-1010
FAX (252) 830-1240
WWW.MOOREANDPINER.COM

March 26, 2012

Mr. Merrill Flood, Director of Community Development
City of Greenville
201 West Fifth Street
Greenville, NC 27834

Re: Restricted Use Appraisal Report of:
.022 Acres of Vacant Land
Adjoining Parmer Place Subdivision
Greenville, NC 27834

Dear Mr. Flood:

As requested, I have made a study of the above referenced property for the purpose of estimating the present market value of subject's fee simple estate. The date of this report and the date of valuation is March 26, 2012. The subject of this appraisal study consists of a vacant tract of land that is located to the south of Parmer Place Subdivision and to the east of Fork Swamp Canal in the City of Greenville, Pitt County, North Carolina. To the south of the subject property is a public park owned by the City of Greenville which extends from Parmer Place Subdivision and along the north side of Fork Swamp to Fire Tower Road. The subject property, comprising .022 acres, is part of the larger existing 15.2671 acre city park.

I am submitting my valuation findings within this Restricted Use Appraisal Report which has been prepared according to the Uniform Standards of Professional Appraisal Practice (USPAP.) Sufficient data has been retained in my files to prepare a Summary Appraisal Report. My opinions and conclusions set forth herein cannot be properly understood without the additional information retained in my files. I have adhered to the Competency Provision of USPAP.

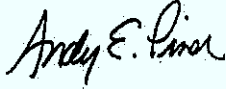
There is no damage to the remainder; therefore, my estimate of market value is of the land or part taken described herein. The overall unit price applicable to the larger property (i.e., public park) before the conveyance of the .022 acres (i.e., subject property) would have the same unit price as the acreage remaining after the conveyance of the .022 acres. Based upon my market

analysis, the estimated market value of subject's fee simple estate and value of the part taken, as of March 26, 2012 is as follows:

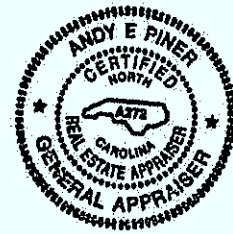
FIVE HUNDRED FIFTY DOLLARS
(\$550)

This appraisal is not predicated upon any Extraordinary Assumptions or Hypothetical Conditions. Your attention is directed to the detailed list of standard assumptions and limiting conditions provided within the addenda of the attached appraisal. The value estimate reported herein is not predicated upon any minimum valuation, specific valuation, or an amount that would favor the client. I certify that I have no present or contemplated future interest in the properties appraised.

Respectfully submitted,



Andy E. Piner, State Certified General Appraiser





City of Greenville, North Carolina

Meeting Date: 5/7/2012
Time: 6:00 PM

Title of Item: Budget ordinance amendment #10 to the 2011-2012 City of Greenville budget (Ordinance #11-038) and amendment to the Green Mill Run Greenways Capital Project Fund (Ordinance #12-007.02)

Explanation: Attached is an amendment to the 2011-2012 budget ordinance for consideration at the May 7, 2012, City Council meeting. For ease of reference, a footnote has been added to each line item of the budget ordinance amendment, which corresponds to the explanation below:

A To adjust the City of Greenville's transfer to Sheppard Memorial Library for budget cuts that have taken place during the year to maintain the established two-thirds/one-third funding formula with Pitt County. (Total - \$62,320).

B To appropriate funds to be received from the Pitt County Health Department from the Communities Putting Prevention to Work (CPPW) grant. The total grant is for \$31,500; however \$4,000 is expected to be spent and reimbursed prior to June 30, 2012 (Total - \$4,000).

C To appropriate Vehicle Replacement Funds to adjust for the total cost of the Pierce Arrow 4-door cab ladder truck that was purchased for Fire/Rescue earlier in the fiscal year. Current budget reflects \$468,000 for the City of Greenville's portion. One-half of the total budget price (\$968,000) will be reimbursed over a period of time based on the interlocal purchase agreement with ECU and Vidant Health Systems (Total -\$468,142).

D To appropriate funds to purchase an additional ambulance that will be used as EMS #4. This purchase was approved during the April 9th City Council meeting (Total -\$276,429).

E To appropriate funds to complete the Phase II Extension of the Green Mill Run Greenway from Charles Boulevard to Evans Street. An additional action is required to reduce the General Fund's budget by the projected State share for this project, which will not be received this fiscal year. The Federal Government will

pay 80% of the cost of this project. (Total -\$1,718,000).

Fiscal Note:

The budget ordinance amendments affect the following funds: decrease General Fund by \$892,647; increase the Green Mill Run Greenways Capital Project Fund by \$1,718,000; and increase the Vehicle Replacement Fund by \$527,326:

<u>Fund Name</u>	<u>Amended Budget</u>	<u>Proposed Amendment</u>	<u>Amended Budget 5/07/2012</u>
General	\$ 80,521,714	\$ (898,320)	\$ 79,623,394
Green Mill Run Greenways Capital Project Fund	\$ 1,184,511	\$ 1,718,000	\$ 2,902,511
Vehicle Replacement Fund	\$ 3,720,865	\$ 527,326	\$ 4,248,191

Recommendation:

Approve the budget ordinance amendment #10 to the 2011-2012 City of Greenville budget (Ordinance #11-038) and amendment to the Green Mill Run Greenways Capital Project Fund (Ordinance #12-007.02)

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Budget Amendment FY 2011_2012_902782](#)

ORDINANCE NO. -
CITY OF GREENVILLE, NORTH CAROLINA
Ordinance (#10) Amending the 2011-2012 Budget (Ordinance No. 11-038) and an amendment
to the Green Mill Run Greenways Capital Project Fund

THE CITY COUNCIL OF THE CITY OF GREENVILLE, NORTH CAROLINA , DOES ORDAIN:

Section I: Estimated Revenues and Appropriations. **General Fund**, of Ordinance 11-038, is hereby amended by increasing estimated revenues and appropriations in the amount indicated:

	ORIGINAL 2011-2012 BUDGET		#10 Amended 5/7/12	Total Amendments		Amended 2011-2012 Budget
ESTIMATED REVENUES						
Property Tax	\$ 29,813,308		\$ -	\$ -		\$ 29,813,308
Sales Tax	14,350,430		-	(100,000)		14,250,430
Utilities Franchise Tax	5,974,803		-	-		5,974,803
Other Unrestricted Intergov't Revenue	2,475,028		-	-		2,475,028
Powell Bill	2,032,692		-	-		2,032,692
Restricted Intergov't Revenues	2,149,013	B,E	(836,000)	270,642		2,419,655
Building Permits	733,701		-	-		733,701
Other Licenses, Permits and Fees	2,858,088		-	-		2,858,088
Rescue Service Transport	2,652,260		-	-		2,652,260
Other Sales & Services	1,042,183		-	-		1,042,183
Other Revenues	295,641		-	36,502		332,143
Interest on Investments	1,884,450		-	-		1,884,450
Transfers In GUC	4,986,085		-	-		4,986,085
Other Financing Sources	1,062,537		-	874,129		1,936,666
Appropriated Fund Balance	3,079,408	A	(62,320)	3,152,494		6,231,902
TOTAL REVENUES	\$ 75,389,627		\$ (898,320)	\$ 4,233,767		\$ 79,623,394

APPROPRIATIONS						
Mayor/City Council	\$ 431,749		\$ -	\$ -		\$ 431,749
City Manager	1,116,824		-	67,130		1,183,954
City Clerk	308,883		-	-		308,883
City Attorney	455,445		-	-		455,445
Human Resources	2,708,692		-	-		2,708,692
Information Technology	3,214,564		-	(4,100)		3,210,464
Fire/Rescue	12,944,368		-	131,663		13,076,031
Financial Services	2,299,333		-	(8,036)		2,291,297
Recreation & Parks	6,334,923		-	169,594		6,504,517
Police	22,536,036		-	747,605		23,283,641
Public Works	9,191,935		-	133,594		9,325,529
Community Development	1,730,350	B	4,000	186,710		1,917,060
OPEB	250,000		-	-		250,000
Contingency	150,000		-	(96,567)		53,433
Indirect Cost Reimbursement	(601,354)		-	-		(601,354)
Capital Improvements	6,347,428	E	(1,183,600)	1,496,369		7,843,797
Total Appropriations	\$ 69,419,176		\$ (1,179,600)	\$ 2,823,962		\$ 72,243,138

OTHER FINANCING SOURCES						
Debt Service	\$ 4,209,487		\$ -	\$ -		\$ 4,209,487
Transfers to Other Funds	1,760,964	A,E	281,280	1,409,805		3,170,769
	\$ 5,970,451		\$ 281,280	\$ 1,409,805		\$ 7,380,256
TOTAL APPROPRIATIONS	\$ 75,389,627		\$ (898,320)	\$ 4,233,767		\$ 79,623,394

Section II: Estimated Revenues and Appropriations. **Green Mill Run Greenways Capital Project Fund**, of Ordinance 12.007.02, is hereby amended by increasing estimated revenues and appropriations in the amount indicated:

	ORIGINAL 2011-2012 BUDGET		Amended 5/7/12	Total Amendments		Amended 2011-2012 Budget
--	---------------------------------	--	-------------------	---------------------	--	--------------------------------

ESTIMATED REVENUES

Special Fed/State/Loc Grant	\$	957,609	E	\$	1,374,400	\$	1,374,400	\$	2,332,009
Transfer from General Fund		226,902	E		343,600		343,600		570,502
TOTAL REVENUES	\$	1,184,511		\$	1,718,000	\$	1,718,000	\$	2,902,511

APPROPRIATIONS

Design	\$	-	E	\$	235,823	\$	235,823	\$	235,823
Engineering		170,000			-		-		170,000
Non-Contractual		-	E		10,000		10,000		10,000
Construction		939,511	E		1,372,177		1,372,177		2,311,688
Acquisition		75,000	E		100,000		100,000		175,000
Total Expenditures	\$	1,184,511		\$	1,718,000	\$	1,718,000	\$	2,902,511

TOTAL APPROPRIATIONS \$ 1,184,511 \$ 1,718,000 \$ 1,718,000 \$ 2,902,511

Section III: Estimated Revenues and Appropriations **Vehicle Replacement Fund**, of Ordinance 11-038, is hereby amended by increasing estimated revenues and appropriations in the amount indicated:

	ADJUSTED BUDGET		Amended 5/7/12		Total Amendments		Amended Budget
<u>ESTIMATED REVENUES</u>							
Transfer from Other Funds	\$ 3,082,860		\$ -	\$	468,143	\$	3,551,003
Appropriated Fund Balance	638,005	C,D	527,326		59,183		697,188
TOTAL REVENUES	\$ 3,720,865		\$ 527,326	\$	527,326	\$	4,248,191

APPROPRIATIONS

Capital Purchases	\$ 3,503,620	C,D	\$ 744,571	\$	744,571	\$	4,248,191
Increase in Reserve	217,245	C	(217,245)		(217,245)		-
Total Expenditures	\$ 3,720,865		\$ 527,326	\$	527,326	\$	4,248,191
TOTAL APPROPRIATIONS	\$ 3,720,865		\$ 527,326	\$	527,326	\$	4,248,191

Section IV: All ordinances and clauses of ordinances in conflict with this ordinance are hereby repealed.

Section V: This ordinance will become effective upon its adoption.

Adopted this 7th day of May, 2012.

Allen M. Thomas, Mayor

ATTEST:

Carol L. Barwick, City Clerk