

## **Fee Proposal**

### **Management/Operation of Blue Hill Golf Course**

Pearl River, New York  
Town of Orangetown  
Rockland County  
August 13, 2015

## FEE PROPOSAL FOR GOLF COURSE MANAGEMENT AGREEMENT

Blue Hill GC, LLC proposes to the Town of Orangetown a management fee structure to be paid to Blue Hill GC, LLC in twelve monthly payments of \$230,000 per month totaling \$2,760,000 per year for the first two years of the contract. For the third and subsequent years, the fee would increase by the Consumer Price Index (CPI) for all Urban Consumers for Pearl River, Rockland County, New York. This fee includes the following:

- Operation of the Pro Shop including salaries of Pro Shop staff
- Operation of golf course including salaries of cart personnel, rangers and starters
- Web site management
- Renovations and enhanced services as outlined in proposal (i.e. self contained driving range, second floor fitting and repair shop)
- Payment for maintenance service to be made by Blue Hill GC, LLC.
- Payment of food and beverage service to be made by Blue Hill GC, LLC.
- Monies received from greens fees to be paid to the Town of Orangetown.
- Monies received from Club Cart rentals to be paid to the Town of Orangetown.
- Blue Hill GC, LLC is willing to enter negotiations to assume the lease agreement with Club Car which would include Blue Hill GC, LLC assuming lease payments to Club Car and retaining Club cart rental fees.

## FEE PROPOSAL FOR INDIVIDUAL MANAGEMENT AGREEMENT

Blue Hill GC, LLC proposes to the Town of Orangetown an individual management fee to be paid to Blue Hill GC, LLC in twelve monthly payments of \$33,333 per month totaling \$400,000 per year. This fee includes the following:

- Operation of the Pro Shop including salaries of Pro Shop staff
- Renovations and enhanced services as outlined in proposal (i.e. self contained driving range, second floor fitting and repair shop)
- Web site management
- Collection of greens fees for the Town of Orangetown
- Collection of cart rental fees for the Town of Orangetown
- Services inclusive, but not limited to those outlined in the proposal

## LICENSE/LEASE AGREEMENT PROPOSAL

Blue Hill GC, LLC proposes to the Town of Orangetown a lease fee to be paid to the Town of Orangetown in the amount of \$350,000 per year for three consecutive years.

In this agreement Blue Hill GC, LLC will manage complete grounds maintenance, Pro Shop, and restaurant service for the Town of Orangetown for calendar years 2016, 2017 and 2018 with additional years negotiable. Blue Hill GC, LLC will retain all greens fees, cart fees and Pro Shop sales. Capital improvements will be made totaling \$50,000 over the course of the contract in areas most needed to ensure proper service as a full functioning golf facility. These improvements will include, but are not limited to, self contained driving range and second floor Pro Shop renovations to accommodate club repair and swing analysis.

Blue Hill GC, LLC makes its commitment that Town of Orangetown residents will be given priority for employment positions such as rangers, starters, maintenance staff, cart personnel and restaurant staff whenever possible. Local vendors will be used as needed when bids are comparable. Blue Hill GC, LLC will retain its close working relationship with the Metropolitan PGA and Metropolitan Golf Association in hosting tournaments in the endeavor to promote future golfers and enhance the golfing experience for our guests.

Blue Hill GC, LLC will entertain the assumption the issuing of resident, associate, senior and youth golf permits. This would ensure a more efficient processing of golf permits for Town residents as there would be increased hours of operation available to the Town residents.

As part of the above lease agreement, Blue Hill GC, LLC will continue to provide the wide array of services that we have developed during our tenure as the managing agent. Below is a sampling of the wide array of services being provided:

- Fully stocked Pro Shop
- Weekly tournaments
- Corporate league play
- The ever popular junior camps
- Adult and junior clinics
- Award winning Golf Under the Stars – GUS Golf – a continuously sold out event
- Golf Instruction
- Charitable Fundraising Outings