

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: August 13, 2013 Consent Regular
 Ordinance Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

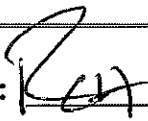
Motion and Title: Staff recommends motion to receive and file: a notice of exercise of the second extension option of Concessionaire Service Agreement (R2010-1408) (Agreement) with DH2, Inc. for the operation of food and beverage services at Osprey Point Golf Course in Burt Aaronson South County Regional Park for \$6,749.18/year.

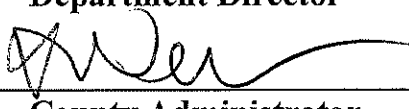
Summary: On September 14, 2010, the Board approved the Agreement with DH2, Inc. for the use of a 183 SF snack bar and a portion of the exterior patio area at the clubhouse, and the operation of mobile food and beverage carts on the golf course at Osprey Point Golf Course located in South County Regional Park. The minimum guaranteed annual rent is \$6,749.18/year with a per round fee of \$0.20 for each round of golf played during the preceding 12 months that exceeds 60,000 rounds. The Osprey Point Golf Course opened in November of 2010, with per round use of between 51,000 to 66,955 played annually over the past three years. The course is maturing and becoming popular with the public. Use during this 12 month extension period is anticipated to exceed the 60,000 round threshold by 18,000 rounds. DH2, Inc. is exercising the second option for the period of November 5, 2013, to November 4, 2014. The Parks and Recreation Department is satisfied with DH2, Inc.'s performance. Pursuant to the Agreement, DH2 Inc. has the right to exercise its option and the Board has no discretionary authority to deny the exercise of the option. (PREM) District 5 (HJF)

Background and Justification: On September 14, 2010, the Board approved the Agreement with DH2, Inc. The initial term of the Agreement was for two (2) years, which expired on November 4, 2012, and included three (3) one (1) year extension options. On October 16, 2012, (R2012-1528), the first option was exercised. This second extension option was exercised via letter received on June 6, 2013, from Todd Weiss, President, DH2, Inc. Exercise of this second extension option will extend the term through November 4, 2014. The Disclosure of Beneficial Interests obtained when the Agreement was entered in September 2010, indicates that Todd Weiss holds 100% of the interest in DH2, Inc. Since there has been no change in the ownership of DH2, Inc., Staff did not request a new Disclosure. Parks and Recreation is responsible for administering this Agreement.

Attachments:

- 1. Location Map
- 2. Extension option request letter
- 3. Parks and Recreation Department Memo
- 4. Budget Availability Statement

Recommended By:  Amy Wolf 7/16/13
Department Director Date

Approved By:  7/20/13
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	(\$6,186.75)	(\$4,162.43)	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	(\$6,186.75)	(\$4,162.43)	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in ~~Proposed~~ Budget: Yes _____ X _____ No _____

Budget Account No: Fund 1384 Dept 580 Unit 5258 Object 4729
 Program _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Income provided above includes the minimum guaranteed annual rent of \$6,749.18 and 18,000 rounds @ \$0.20 per round in excess of the 60,000 round threshold during this extension period \$3,600. (\$10,349.18)
 *Fiscal info provided by the Parks Department.

C. Departmental Fiscal Review: _____ *W 7-11-13*

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

OFMB AK 7/24/13
 _____ *SP 7/23* *AKU 7/23*
 OFMB *7/24/13* _____ *7/24/13*
 Contract Development and Control *150 Heller*

B. Legal Sufficiency:

7/25/13

 Assistant County Attorney

C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.

TWP 47

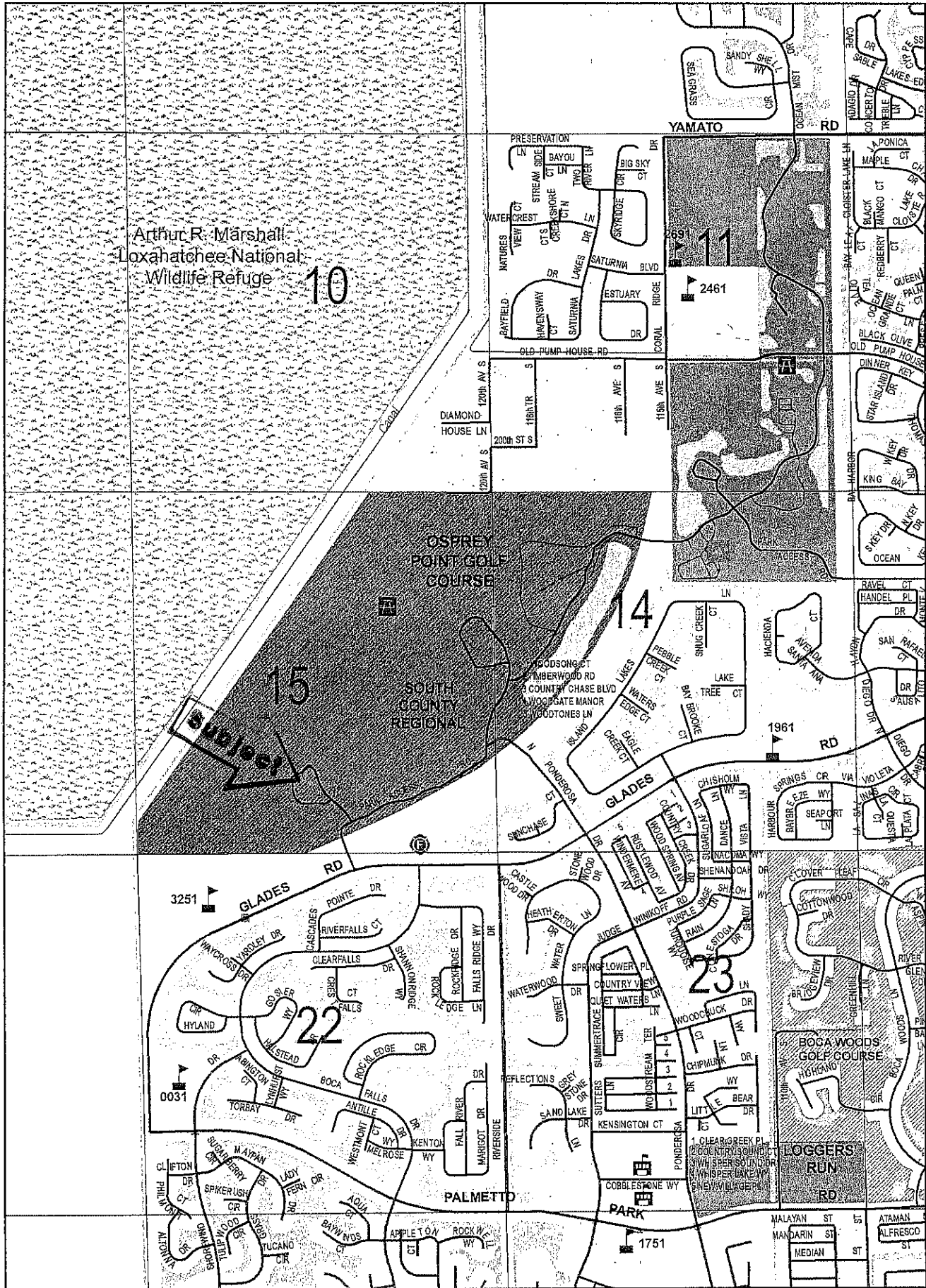
TWP 47

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Todd Weiss
DH2 inc
9858 Glades Road
#119
Boca Raton, Fl 33434
June 06, 2013

Parks and Recreation Department
Attn: Director Parks Financial and Support Services
John Prince Park
2700 Sixth Avenue South
Lake Worth, Fl 33461
Fax 561-242-6930

To: Palm Beach County

Dh2 has decided to exercise the second option to renew for an additional year to provide food and beverage service at Osprey Point Golf Course.

According to the terms of the contract I am sending this letter to the appropriate addresses as stated in section 18.03.

The staff and I look forward to another great year at Osprey Point Golf Course.

Sincerely,



Todd Weiss
President
DH2 inc.



**INTER-OFFICE MEMO
PALM BEACH COUNTY**

PARKS & RECREATION DEPARTMENT

DATE: June 10, 2013

TO: Ross Hering, Director
Property and Real Estate Management Division

THRU: Eric Call, Director
Parks and Recreation Department *Eric Call*

Jon Herrick, Director
Special Facilities Division *Jon Herrick*

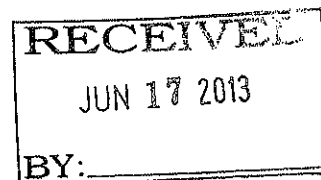
Paul Connell, Golf Operations Supervisor
Special Facilities Division *Paul Connell*

FROM: Steve Hill, Manager
Osprey Point Golf Course

RE: Osprey Point Food and Beverage Concession Renewal

Per section 1.05 of the Concessionaire Service Agreement for the operation of food and beverage service at Osprey Point Golf Course, DH2, Inc., the contractor, has requested that we exercise the second of three renewal options available in the agreement. The Parks and Recreation Department is in support of this one year extension and confirms that the agreement is in good standing and that no events of default have been experienced. For these reasons, please process the second of three renewal options for this contract. If you have any questions or require additional information, please advise.

Pc: Rebecca Pine
Richard Bogatin



BUDGET AVAILABILITY STATEMENT

REQUEST DATE: 6/13/2013 REQUESTED BY: Richard C. Bogatin PHONE: 561.233.0214
 FAX: 561.233.0210

PROJECT TITLE: Osprey Point Concessionaire DH2 Inc., OPT 2 of 3 PROJECT NO.: 2013-5.0__

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	(6186.75)	(4162.43)	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	(6186.75)	(4162.43)	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

*** By signing this BAS your department agrees to these staff costs and your account will be charged upon receipt of this BAS by FD&O. Unless there is a change in the scope of work, no additional staff charges will be billed.*

BUDGET ACCOUNT NUMBER

FUND: 1384 DEPT: 580 UNIT: 5258 OBJ: 4729
 SUB OBJ:

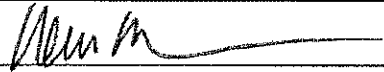
IS ITEM INCLUDED IN CURRENT BUDGET: YES NO

IDENTIFY FUNDING SOURCE FOR EACH ACCOUNT: (check all that apply)

Ad Valorem (source/type: _____)
 Non-Ad Valorem (source/type: _____)
 Grant (source/type: _____)
 Park Improvement Fund (source/type: _____)
 General Fund Operating Budget Federal/Davis Bacon

SUBJECT TO IG FEE? YES NO

Department: Parks and Recreation

BAS APPROVED BY:  DATE: 6/13/13

ENCUMBRANCE NUMBER: