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CITY CLERK

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EXECUTIVE OFFICER

When making inquiries relative
to this matter, please refer to
the Council File No.

City of Los Angeles CALIFORNIA



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MAYOR

OFFICE OF THE
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BRIAN WALTERS
DIVISION MANAGER

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February 24, 2017

Board of Recreation and Park Commissioners
221 North Figueroa Street, Suite 300
Los Angeles, CA 90012

Dear Commissioners,

On February 22, 2017, the Board of Referred Powers (BRP), meeting in lieu of the Board of Recreation and Park Commissioners, considered a Request for Proposals (RFP) for the acquisition and implementation of a Golf Management and Reservation System and related matters. After receiving public testimony and hearing from staff, the BRP voted unanimously (Wesson, Krekorian, Huizar, Englander) to approve the following recommendations of the Department of Recreation and Parks (RAP):

1. APPROVE a proposed RFP for the acquisition and implementation of a Golf Management and Reservation System for a five (5)-year Agreement with one (1) five (5)-year extension option at the sole discretion of the General Manager, RAP, included as Attachment 1 of Board Report No. 17-023, subject to review and approval of the Mayor and the City Attorney as to form and legality.
2. DIRECT the RAP, subsequent to City Attorney review and approval as to form and legality, to advertise the RFP and conduct the RFP process for a Golf Management and Reservation System.
3. AUTHORIZE the General Manager, RAP, or designee, to make any necessary technical changes and incorporate such changes into the RFP as necessary to carry out the intent of the RFP.

Please feel free to contact me if you have any questions or need further information.

Sincerely,


Alan Alietti
Legislative Assistant

BOARD REPORT

NO. 17-023

DATE: February 2, 2017

C.D. All

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GOLF MANAGEMENT AND RESERVATION SYSTEM – RELEASE OF A REQUEST FOR PROPOSAL FOR THE ACQUISITION AND IMPLEMENTATION OF A GOLF MANAGEMENT AND RESERVATION SYSTEM

AP Diaz	_____	*V. Israel	_____
R. Barajas	_____	N. Williams	_____
H. Fujita	_____		



 General Manager

Approved February 22, 2017 by _____ Disapproved _____ Withdrawn _____
Board of Referred Powers

RECOMMENDATIONS

1. Approve a proposed Request for Proposal (RFP) for the acquisition and implementation of a Golf Management and Reservation System for one (1) five (5)-year Agreement with one (1) five (5)-year extension option at the sole discretion of the General Manager, herein included as Attachment 1, subject to review and approval of the Mayor and the City Attorney as to form;
2. Direct Department of Recreation and Parks (RAP) staff, subsequent to City Attorney review and approval as to form, to advertise the RFP and conduct the RFP process for a Golf Management and Reservation System; and,
3. Authorize the General Manager, or Designee, to make any necessary technical changes and incorporate such changes into the RFP as necessary to carry out the intent of the RFP.

SUMMARY

RAP owns and operates thirteen public golf courses, including seven eighteen-hole, three nine-hole, two par-three, and a training facility. In 2015, RAP contracted with Global Golf Advisors (GGA), an industry leading golf consulting firm, to assess RAP's golf program and develop a Strategic Plan. GGA's list of recommendations was presented to the Board of Recreation and Park Commissioners (Board) on December 9, 2015. Among its recommendations, GGA found that the City's golf operation is far behind the global technology curve. As stated in the Strategic Plan (Attachment 2), "the current operating systems are largely inadequate from a reporting perspective and do not include a sophisticated online booking engine integrated with a Customer Relationship Management (CRM) system. A fully-integrated CRM system is considered to be an absolute necessity for public golf course operators to efficiently and effectively compete in their respective markets."

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The current golf system software, which was purchased over ten years ago, serves over twenty thousand (20,000) members who rely on this system to book close to one million (1,000,000) rounds of golf annually. This outdated system lacks attributes such as: a sophisticated on-line booking engine; the ability to implement dynamic pricing; the capacity to collect sufficient data for marketing purposes; and integration with third-party software. The current system also has limited reporting capabilities and is not easily customizable which is important for a golf program with several courses of varied sizes and amenities.

Therefore, RAP requires an advanced golf management and reservation system to handle and process golf memberships, registrations, tee time reservations and point-of-sale transactions. The ability to purchase and install a modern golf management system is critical to improve golf operations, generate more rounds, increase revenue generating capability, improve the public's recreational golf experience, and collect comprehensive data for reporting and analysis.

DISCUSSION

To secure a progressive golf management and reservation system, RAP staff, in consultation with GGA, have prepared the RFP, containing the following:

Proposal and Contractual Provisions

1. Proposal Deposit: A proposal deposit of Twenty-Five Thousand Dollars (\$25,000.00) will be required with the submission of each proposal.
2. Scope of Work: The successful proposer (Vendor) will provide an integrated web-based tee time reservation system; a Point-of-Sale system which will interface with RAP's accounting system; a hosted website which integrates with the tee sheet and can be accessed through multiple platforms (desktop, tablet, mobile); and training.
3. Minimum Qualifications: Proposers must have at least five years of experience implementing golf course management and reservation systems and all proposed technology must have been in use for at least one year to be considered as relevant experience. Proposers must also demonstrate that they have successfully provided the proposed golf course management system software to enterprises similar in size and scope to RAP's golf operations and described in this RFP by providing a list of at least ten golf enterprises that are currently using the proposed product. At least three of the ten must utilize the Proposer's system for five or more courses.
4. Term: Five years with one five-year extension option at the sole discretion of the General Manager.
5. Early Termination Fee: Should City cancel the Agreement prior to the expiration of the initial five-year term, City agrees to a one-time early termination fee equal to the net-depreciated value of the Hardware, Installation and Training, Mobile App and Website Design fees provided by Vendor.

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6. Compensation Plan: Proposers may request an inventory exchange or cash payment form of compensation. If proposing an inventory exchange, proposers will specify a number of tee times to be provided to them by RAP and a dollar value must be assigned. RAP will determine the compensation plan based on the proposal which will best serve the City.
7. Equipment: The successful proposer will provide customizable software and, if required, provide a quote for the cost of any hardware necessary to run the system.
8. Performance Deposit: A performance deposit of One Hundred Thousand Dollars (\$100,000.00) shall be required at execution of the Agreement, and shall be maintained for the duration of the Agreement.

Evaluation Process

There will be two evaluation levels. A Level I review will be conducted by RAP staff to check for required City of Los Angeles contract compliance and submittal documents, as well as the proposer's background and experience, contract history, business references, and financial capability. Proposers must pass the Level I Requirements (Exhibit B of the RFP) to proceed to the Level II evaluation. The Level II review will be a comprehensive evaluation of the proposals by a panel selected by the General Manager and will include live demonstrations of the proposers' systems and a site visit by the evaluation panel to a golf enterprise which currently uses the proposers' software systems.

RFP Evaluation and Scoring Criteria

Proposals that pass the Level I Requirements will be evaluated on the Level II criteria below.

CRITERIA DESCRIPTION	CRITERIA WEIGHT
System and Technology Requirements	25%
Implementation, Support, and Maintenance Services	10%
Background, Experience, and References	25%
Demonstration and Site Visit	15%
Compensation Plan	25%

Outreach

The RFP documents will be advertised in the Los Angeles Business Journal and in golf publications as recommended by GGA. They will also be made available on RAP's website and posted on the Los Angeles Business Assistance Virtual Network (LABAVN).

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FISCAL IMPACT STATEMENT

Releasing this Request for Proposal will have no impact on RAP's General Fund.

This Report was prepared by Rachel Ramos, Senior Management Analyst I, Concessions Division.

LIST OF ATTACHMENTS

- 1) Proposed RFP For the Golf Management and Reservation System
- 2) Golf Strategic Plan



City of Los Angeles

Department of Recreation and Parks

Request for Proposal

GOLF MANAGEMENT AND RESERVATION SYSTEM

Various locations throughout the City of Los Angeles

(CON-xxx-xx)

Release Date:	XX XX, 2017
Pre-Proposal Conference:	XX XX, 2017 (see Exhibit A)
Due Date:	XX XX, 2017 (see Exhibit A)

CITY OF LOS ANGELES, DEPARTMENT OF RECREATION AND PARKS
221 N. Figueroa St., Suite 200
Los Angeles, CA 90012

Telephone: (213) 202-4326
Fax: (213) 202-4311
Web: www.laparks.org/proposal.htm
<http://www.labavn.org>
Email: rachel.ramos@lacity.org (Contract Coordinator)
stanley.woo@lacity.org (Alternate Contract Coordinator)

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GOLF MANAGEMENT AND RESERVATION SYSTEM

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**REQUEST FOR PROPOSAL
FOR THE OPERATION AND MAINTENANCE OF
GOLF MANAGEMENT AND RESERVATION SYTEM**

I. INTRODUCTION

The Department of Recreation and Parks (RAP) seeks to purchase and deploy a Golf Management and Reservation System from a well-qualified business entity to provide a sophisticated online booking engine integrated with an enterprise level Customer Relationship Management (CRM) system.

Proposers should possess comprehensive skills and resources to perform and deliver the implementation, configuration, support and maintenance of a commercial-off-the-shelf (COTS), hosted golf management and reservation system solution. The successful proposer (Vendor) will provide professional services and the required software and training; hardware may be specified and acquired separately. Responses to this Request for Proposal (RFP) should clearly articulate achievable plans for innovative and seamless system deployment.

II. BACKGROUND

The RAP Golf Division operates thirteen (13) golf courses, including seven (7) eighteen-hole, three (3) nine-hole, two (2) par-threes, and a training facility. The Golf Division also operates five (5) driving ranges, pro-shops, a golf reservations office, and food and beverage services.

The core golfing operation is supported by the reservation and membership system. It serves over 20,000 members who utilize the system to book up to 1,000,000 rounds of golf annually.

The current golf reservation system provides functions for point-of-sale, tee sheets, online and phone Interactive Voice Recognition (IVR) reservations, a membership database, and management reporting capabilities; approximately 100 concurrent golf staff users access the system.

Below is the list of RAP golf courses that will utilize this system:

Course Name	Holes	Par	Address
Golf Reservations Office	N/A	N/A	3900 W. Chevy Chase Drive, Los Angeles, CA 90039
Encino Golf Course	18	72	16821 Burbank Blvd. Encino, CA 91436
Balboa Golf Course	18	72	16821 Burbank Blvd. Encino, CA 91436
Hansen Dam Golf Course	18	72	10400 Glenoaks Blvd. Pacoima, CA 91331-6699
Wilson Golf Course	18	72	4730 Crystal Springs Drive Los Angeles, CA 90027
Harding Golf Course	18	72	4730 Crystal Springs Drive Los Angeles, CA 90027
Rancho Park Golf Course	18	71	10460 W. Pico Blvd. Los Angeles, CA 90064-2342
Woodley Lakes Golf Course	18	72	6331 Woodley Ave. Van Nuys, CA 91406-6473

Rancho Park Par-3 Golf Course	9	27	10460 W. Pico Blvd. Los Angeles, CA 90064-2342
Los Feliz Par-3 Golf Course	9	27	3207 Los Feliz Blvd. Los Angeles, CA 90039-1508
Harbor Park Golf Course	9	36	1235 Figueroa Place Wilmington, CA 90744-2312
Penmar Golf Course	9	33	1233 Rose Ave. Venice, CA 90291-2986
Roosevelt Golf Course	9	33	2650 N Vermont Ave, Los Angeles, CA 90027-1245

III. OBJECTIVE

The objective of this RFP is to award a five year agreement, with one five year extension option exercisable at the sole discretion of the RAP General Manager, to a Vendor who will provide the following:

- Integrated web-based tee time reservations, point-of-sale, marketing, customer database and merchandise inventory modules.
- Point-of-Sale system which will interface with RAP's accounting system, offer loyalty programs, and interface with retail, food and other third party software such as gift card programs, driving range operations and tee time sellers.
- Hosted website component integrated with tee sheet that works seamlessly with mobile devices.
- Training for RAP staff on how to operate the system.

This RFP provides interested parties with information to prepare proposals to meet the requirements. **Proposers may provide information in addition to what is requested if deemed relevant or essential and are encouraged to expand upon the specifications and requirements to present the best possible solution available.**

IV. PROPOSAL ITEMS

A. SYSTEM REQUIREMENTS

Proposers should describe how their system meets the requirements outlined below. A system function must be **actively in use for at least one year** to meet each requirement. Functions that are under development or in any form of testing are not considered as meeting the respective requirement. Proposers are expected to meet the system requirements as follows:

1. CUSTOMER RELATIONSHIP MANAGEMENT AND INTEGRATED SALES AND MARKETING SOLUTION

The system:

- Must be a fully integrated and customer centric software package.
- Should efficiently and effectively track a single customer across all aspects of RAP's operations and provide both the customer and RAP staff with instant, real-time visibility into all past, present and future reservations, events and transactions.
- Should allow RAP to view and report on every aspect of RAP's relationship with its customers from tee time reservations to playing and buying habits, to personal preferences and profile information.
- Should assist RAP to automate how it manages all current and future customer interactions and communication.
- Should provide RAP with the ability to seamlessly customize and tailor communications, programs, and specials to each customer.
- Should include e-mail marketing solutions and social media management and integration modules.

2. TEE SHEET MANAGEMENT SYSTEM

The Tee Sheet Software:

- Must be comprehensive, full-featured, flexible and scalable.
- Must power marketing and communications, promotions, packages and retail channel connections.
- Must have the capability to integrate with more than one tee time reseller, and proposer must have pre-existing relationships with multiple resellers.
- Must have the capacity to serve many golf courses and be fully integrated into a master customer database.
- Must offer flexible tee time interval, availability, pricing and packaging.
- Should easily handle various golf course configurations and efficiently and effectively manage customizable customer tee time restrictions.
- Should be able to assign tee time reservations based on random selection.
- Should have dynamic pricing capability to offer various options for automated pricing structures based on criteria set by RAP.

- Must enable RAP to efficiently and effectively control tee sheets directly from the head office, pushing out changes to all tee sheets in real-time.
- Must provide flexibility to allow RAP management to effectively control operations and limit risk.
- Should include or fully integrate important modules that provide:
 - A sophisticated cart manager to help RAP increase sales and control cart operations.
 - Member management program.
 - Loyalty points/card program.
 - Tournament management program.
 - Driving range management program that integrates with RAP's ball dispensers.
 - Capability to sell time and space at a driving range stall.
 - Capability to schedule and sell golf lessons.
- Must be supported by a reservation call center operating 24 hours a day, seven days a week.

3. FULLY-INTEGRATED POINT OF SALE WITH SECURE PAYMENT PROCESSING AND INVENTORY MANAGEMENT SYSTEM

The Point-of-sale (POS) System:

- Should process all financial transactions and be directly associated with the reservations and inventory management modules.
- Must handle all forms of payment, including gift cards and loyalty points, integrating with the appropriate modules.
- Must integrate seamlessly with RAP's payment processor.
- Must have e-commerce ability for retail sales, membership sales, gift card sales, reservations fees, loyalty program registration and administration, etc.
- Should provide a robust reporting structure to efficiently and effectively analyze sales transactions by any criteria.
- Should integrate seamlessly with RAP's accounting system and provide sophisticated cash and daily audit controls.

- Must include an inventory management system that can manage inventory levels through counts and updates.
- Should have the capability to automatically adjust inventories on-hand and in real-time via point of sale transactions.
- Should print bar codes and other useful tools to help speed up the check-out process and effectively control inventory.

4. WEB FUNCTIONALITY AND PRESENCE

- Vendor should provide RAP with a redesigned golf website, a mobile website, and mobile application that fully integrates with the new software system, providing a newly designed, sophisticated and professional website and mobile application.
- The new website should be an interactive portal for customers to engage with RAP; maintain a personal profile; manage all reservations; manage membership and loyalty program registration; and execute sales transactions to purchase membership, gift cards, merchandise, sign up and pay for tournaments, sign up and pay for golf lessons, classes, and junior programs, etc.
- The website should be fully optimized for mobile devices and updated periodically from a design, form, and function perspective.

5. ADMINISTRATIVE CAPABILITIES AND SYSTEM INTEGRATIONS

- The administrative capabilities of the operations software system should be robust, with real-time, customizable reporting capabilities, management dashboards and tools to assist RAP in managing and controlling operations and maximizing revenue.
- User access tracking and controls must be sophisticated enough to allow for unique user login credentials and system activity tracking logs and transaction records by user.
- The software system should allow for seamless integrations with other various RAP software systems, such as purchasing programs, asset management systems and others.
- The administrative capabilities of the operations software system should help RAP with budgeting and planning, leveraging historic financial and operational results and metrics and tracking capital expenditures and fixed asset inventories.

6. CONTINUOUS USER TRAINING PROGRAMS AND COMPREHENSIVE USER TRAINING AIDS

Vendor should:

- Perform on-site initial installation and training on the use and management of the software.
- Provide continuous software training in the form of comprehensive training aids, such as how-to videos and user manuals, built into the software program.
- Offer online user group training sessions and onsite annual refresher programs.

7. TECHNICAL SUPPORT

Vendor must:

- Provide telephone and internet technical support to resolve software and/or system problems 24 hours a day, seven days a week.
- Provide software upgrades and/or enhancements whenever such updates are released, at no additional cost to RAP.
- Must perform application performance and stress testing, including:
 - Use advanced testing and best practice tools, to simulate a minimum of 100 and up to 1000 concurrent users.
 - Provide automated script(s) for performance testing using RAP current workflows and processes according to user roles.
 - Submit documentation detailing the stress test plans to RAP IT Division for review and approval prior to execution.
 - Create test reports to include technical detailed information to assist technical staff in seeking appropriate solutions.

B. TECHNOLOGY REQUIREMENTS

1. ON-PREMISE HARDWARE

Proposers must provide a list of and describe in detail, hardware equipment that will be required by the system software for each facility and golf course. Proposals must include all costs for any hardware that Proposer will provide to RAP.

2. APPLICATION ARCHITECTURE

Proposers must incorporate software development and security best practices and support the security policy of RAP and must demonstrate the ability to abide by the following requirements, which will be subject to approval by RAP IT staff:

- The COTS software architecture should be modular, enabling rapid development of modules or functions as business requirements change. The COTS should be operating system independent and hardware agnostic (high level of compatibility).
- The COTS software should have an available Application Programming Interface (API) that is fully documented and in production use for any third party vendor to integrate or interface with the COTS.
- Vendor will be responsible for configuring security controls to provide individual accountability, audit ability, and separation of duties. Security controls must be consistent with industry best practices, including but not limited to the following:
 - a. Authentication requirements for access to sensitive data and privileged functions.
 - b. Applications of the latest operating system/security related patches to all components.
 - c. Utilization of only the services required to meet desired functionality (disable unused services).
- Proposers must submit a network architecture and application workflow diagram.

3. REQUIREMENTS FOR SYSTEM HOST LOCATION

Technology requirements for systems and data on premise in RAP Data Center

Proposers must:

- Describe and acknowledge how they will implement, configure, maintain, train and provide effective instructions and support. Installation in RAP production environment must confirm that software, hardware, and all required settings and configurations are functioning properly with a final verification and testing performed by Golf Division, RAP IT staff, and Vendor to ensure successful installation of the system in RAP's production environment.
- Describe how the proposed solution will fit into the current infrastructure requirements. If proposed solution does not fit the current infrastructure, provide alternatives.

Technology Requirements for systems and data housed by Proposer

- All applications and data supporting and/or utilized by RAP must reside on servers housed within the continental United States.
- Application availability and performance metrics must be reported monthly and must meet the availability and support requirements.
- Proposers must have in place the capability of executing the data security, privacy and backup plans in the event of catastrophes and security breaches. Proposers must acknowledge that RAP IT staff may request to inspect and audit the hosting environment and data systems and Vendor must provide a report if they are audited by a third party group.
- Vendor must provide a Service Level Agreement (SLA) that covers all aspects of the hosting service.

4. BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN

Vendor must develop and implement a business continuity and a disaster recovery plan for the COTS and for other appropriate developed Work Product for this project. Mission critical applications, including but not limited to those used for e-commerce, financial transactions, and internet application that requires 24 hours per day, seven days per week uptime, must be configured to work in a clustered environment. Minimum of two (2) redundant servers shall be used for load balancing and fault tolerance. These shall be no single point of failure.

5. SECURITY PROCESSES

Proposers must describe their security processes and practices for the prevention of data breaches to their facilities and systems. This should include a detailed explanation describing their process for dealing with security breaches, assessment of logging and security monitoring capabilities, identification of initial attack vector, incident response, procedures and the subsequent recovery effort. Proposers must also include a description of safe coding practices that will be employed and provide a complete system that is secured.

6. PCI COMPLIANCE

Proposers must provide most recent attestation of compliance as a PCI-DSS 3.0 service provider, and an explanation of which aspects of the credit card processing environment are the responsibility of the Vendor and which are the responsibility of RAP.

7. OWNERSHIP OF WORK PRODUCT AND DATA

All services provided by Vendor resulting in software development, modifications, enhancements, interfaces, drawings, documentation, design, on any and all media in whole or in part, and all copies thereof, whether created before, during, or after the term of the Contract (collectively, the "Work Product") are the property of RAP and for its exclusive use and re-use at any time without further compensation and without any restrictions with the exception that Vendor shall have exclusive ownership of Work Product that are software modifications, enhancements, and interfaces that are fully implemented into the COTS. As used herein, "Work Product" also includes all works based upon, derived from or incorporating the same.

- Any and all data generated from the use of the Vendor's COTS are the property of RAP and for its exclusive use without further compensation and without any restrictions whatsoever.
- RAP explicitly prohibits Vendor from using RAP's customer data other than for activities required to deliver the COTS SaaS (software as a service) such as store, backup, restore, archive, etc. Under no circumstances is Vendor allowed to use RAP's customer data for their own use.

8. CONFIDENTIAL INFORMATION

- Proposers must affirm to hold all confidential information in the strictest confidence and may only disclose confidential information to their employees and contractors who are subject to obligations of confidentiality on a need-to-know basis.
- Proposers must acknowledge that all material and information supplied by RAP in connection with Vendor's performance is to be considered confidential and proprietary, and that possession or exposure to third parties will be damaging or which disclosure may be prohibited by law.

C. IMPLEMENTATION, SUPPORT AND MAINTENANCE SERVICES

1. EQUIPMENT CONNECTIVITY, INSTALLATION AND TRAINING

- Proposers must have ownership of software, license, hardware (equipment), enhancements and upgrades supplied to RAP for the operation of the system. RAP, at its sole option, may purchase and supply comparable hardware (equipment) compatible with the software system and Vendor will assist and work with RAP to ensure that the equipment operates properly with the software system.

- RAP will be responsible for the procurement, payment and maintenance of all telephone and internet connectivity used in conjunction with the hardware, software and for all networking functions within RAP facilities.
- Vendor will repair and provide technical support services for system issues in a timely manner to make the Tee Sheet and Reservation Center available 99.9% of the time except for events outside of Vendor's control.
- Vendor will be responsible for the successful installation of the proposed system and provide on-site training to RAP personnel necessary for the complete and proper use and operation of the system.

2. WARRANTIES, GUARANTEES AND LICENSES

Proposers must warrant that all software and its modifications, maintenance workmanship, and hardware equipment must be free from defects for a period of at least one (1) year from the date of deployment. During the warranty period, Vendor shall supply software maintenance consisting of modifications, bug fixes and patches. All warranty work including all applicable parts, cost of shipment, travel and labor, shall be performed at no additional cost to RAP.

All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any such work and system equipment/hardware/software must be obtained by Vendor for the benefit of RAP regardless of whether or not such warranties and guarantees have been assigned or transferred to RAP by separate agreement. Vendor shall fully endorse such warranties and guarantees on behalf of RAP.

All software, firmware, and respective upgrades provided under this Contract shall be furnished by Vendor, who must also supply current electronic copies of operator, user, system administrator, and application administrator instruction manuals.

RAP reserves the right to provide access to the system to other vendors contracted by the City to allow transfer of information to other systems which may be used by RAP (e.g. sophisticated "Dashboard" technology).

3. PROJECT MANAGER

RAP may require Vendor to designate a Project Manager according to the standards and responsibilities set by RAP which may include, but are not limited to the following tasks:

- Oversee clear and achievable scope that meets the needs of the stakeholders
- Maintain scope is unchanged except when the formal change process is initiated and approved
- Determine the appropriate products or services with clients or customers to define project scope, requirements and deliverables

- Develop, modify, or provide input to project plan including resources, project schedule with all necessary predecessors and successors for critical path
- Lead design team in development of technical specifications
- Implement or maintain quality assurance processes
- Provide presentations or briefings on all aspects of the project
- Make improvements, solve problems, or take corrective action when problems arise

Please describe additional duties and responsibilities of the assigned Project Manager. RAP reserves the right to request replacement of Project Manager as necessary when it deems the change is beneficial for the project.

D. BACKGROUND, EXPERIENCE AND REFERENCES

Proposers must have at least five years of experience implementing golf course management and reservation systems and all proposed technology must have been in use for at least one year to be considered as relevant experience. Proposers must also demonstrate that they have successfully provided the proposed golf course management system software to enterprises similar in size and scope to RAP's golf operations and described in this RFP by providing a list of at least ten (10) golf enterprises that are currently using the proposed product. At least three of the ten must utilize the Proposer's system for five or more courses.

Proposers must provide contact information for at least three (3) references who are directly responsible for effectively using the Proposer's golf management system software, including name, job title, mailing address, email address, and phone number of contact persons. RAP may contact these references as part of the evaluation.

RAP reserves the right to contact current or former end users not provided by vendor as part of the evaluation.

Finally, proposers should have at least five (5) years of experience in each of the following areas:

1. Implementing SaaS solution for COTS products
2. Implementing on premise COTS software solutions
3. Developing and implementing enterprise systems or additions/enhancements to existing enterprise systems
4. Providing operations and maintenance support of custom software applications, COTS solutions, SaaS systems, and enterprise systems.

E. ON-SITE DEMONSTRATION AND SITE VISIT

Proposers must provide on-site demonstration of proposed system software to RAP staff at a designated RAP facility for evaluation, perform site visit of a similar enterprise that is using the proposed system software and get end-user feedback on the usage and operation of the proposed system software.

V. COMPENSATION PLAN

The compensation structure for this agreement may be a monetary exchange or an inventory exchange model (tee time trade proposal) in which RAP will compensate Vendor by allocating a designated number of Tee Times to Vendor. Proposers should describe the proposed compensation value in terms of an annual fee amount. RAP will determine the compensation model based on the proposal which will best serve the City.

If proposing an inventory exchange model, proposers should assign a dollar value to the requested inventory amount. A single Tee Time will be comprised of scheduled play for up to four players, available during the normal hours of operations and consisting of eighteen holes at all eighteen hole courses and nine holes at the nine hole courses; provided that Vendor may, in its discretion, sell each tee time as configurations of singles; twosomes; threesomes; or foursomes.

Proposers must outline the following for each golf course:

1. How many tee times are requested for each day of the week?
2. What time of day are the requested tee times?
3. Describe a plan for instances when RAP is unable to accommodate the requested times due to weather, events, tournaments, etc.
4. What is the proposed priced floor?

NOTE: ONLY ONE INVENTORY EXCHANGE PROPOSAL PER SUBMITTAL IS ALLOWED. MULTIPLE INVENTORY EXCHANGE PROPOSALS MAY BE CAUSE TO FIND THE SUBMITTED PROPOSAL NON-RESPONSIVE

VI. EVALUATION AND AWARD

A. Evaluation Process and Criteria

Evaluation of proposals will consist of two levels. **Each proposer must pass Level I in order to advance to Level II.**

Level I – Compliance with RFP Submission Requirements: (Exhibits B, C, E, F, G, and H)

RAP will conduct a preliminary evaluation of all proposals submitted by the deadline to determine compliance with system, technology, services requirements and mandatory document submissions.

- Cover Letter (Exhibit A)
- Proposal Deposit (Exhibit A - \$25,000)
- Compliance Documents (Exhibit D)
- Background, Experience and References (Exhibit B)
- Financial Capacity (Exhibit B)
- References (Exhibit B)

Level II – Evaluation and Scoring Criteria:

For the purposes of the Level II evaluation, responsive proposals will be evaluated, ranked, and scored based on the criteria below:

GOLF MANAGEMENT AND RESERVATION SYSTEM	
CRITERIA DESCRIPTION	CRITERIA WEIGHT
SYSTEM AND TECHNOLOGY REQUIREMENTS (Section IV.A & IV.B)	25%
IMPLEMENTATION, SUPPORT AND MAINTENANCE SERVICES (Section IV.C)	10%
BACKGROUND, EXPERIENCE, and REFERENCES (Section IV.D)	25%
DEMONSTRATION AND SITE VISIT (Section IV.E)	15%
COMPENSATION PLAN (Section V)	25%
TOTAL EVALUATION WEIGHT	100%

Proposers must provide documentation/narrative demonstrating compliance with the listed requirements and will be evaluated on their ability to satisfactorily meet or exceed the requirements stated in this RFP.

Responsive proposals will be scored in each of the required elements and ranked accordingly. A comprehensive evaluation of the proposals by a panel of City and/or non-City employees will be conducted.

City reserves the right to conduct such investigations as the City considers appropriate with respect to the qualifications of each Proposer and any information contained in its proposal.

All proposals will be evaluated solely on the basis of the stated requirements in this RFP and the ranking by an evaluation panel whose determination will serve as a basis to formulate the General Manager's recommendation, setting forth the reasons for recommendation in a Board Report. The Board of Recreation and Park Commissioners (Board) will consider the General Manager's recommendation during a public Board meeting and may accept or reject the recommendation in making its decision as to the selection, if any, stating publicly the reasons for their action.

B. Award

RAP shall notify all proposers in writing of the General Manager's recommendation.

Agreements are deemed to be executed upon the date of signature, or as otherwise stipulated under the Terms section of the Agreement.

Once the award is approved, the awarded Vendor will complete and submit the additional documents as required by this RFP, City Attorney, City Ordinance, State and/or Federal laws within forty-five (45) calendar days from the date the contract is awarded.

C. Protest

Should a proposer object on any ground to any provision or legal requirement set forth in the RFP, or any addendum to the RFP, the proposer must, not more than ten (10) calendar days after the RFP or addendum is issued, provide written notice to RAP setting forth with specificity the grounds for the objection. The failure of a proposer to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection.

Any decision made by the Board of Referred Powers as a result of this RFP will be final.

D. City's Right to Reject Proposals and to Waive Informalities

Notwithstanding any other provisions of this RFP, the City reserves the right to withdraw this RFP at any time without prior notice. The City also reserves the right to reject any and all proposals submitted or to waive any minor administrative irregularities contained in any proposal, when to do so would be in the best interest of the City and pursuant to Los Angeles City Charter Section 371 (c): "The City shall reserve the right to reject any and all proposals and to waive any formality in the proposal when to do so would be to the advantage of the City."

Charter Section 371(e)(10)

In approving this RFP, the Board, in its capacity as the contract awarding authority for the Department, finds, pursuant to Charter Section 371(e)(10), that the use of competitive bidding would be undesirable, impractical or otherwise excused by the common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide the services required by the Department for the purchase and

deployment of the Department's Golf Management and Reservation System. To select the best proposer for this opportunity, the Board finds it is necessary to utilize a standard RFP process and to evaluate proposals received based upon the criteria included in this RFP. The Board specifically finds that the narrower and more specialized competitive sealed proposal process authorized but not required by Charter Section 371, subsection (b), would not meet the Department's needs and therefore opts to utilize the standard RFP process.

DRAFT

VII. EXHIBITS

- A. Instructions to Proposers
- B. Level I Requirements
- C. Sample Agreement
- D. Compliance Documents
- E. Insurance Requirements

DRAFT

INSTRUCTIONS TO PROPOSERS

A. Submitting a Written Proposal

To be considered for award of this Agreement, proposing entities must submit a sealed, written proposal in response to the Proposal Items indicated herein. Proposals provide information about background, current business practices, applicable experience, and plans for servicing this Contract. Proposals are evaluated based on several evaluation criteria as indicated in this RFP.

Proposers may wish to consider the following guidelines in preparing their proposals:

- Ensure proposal is easy to read and well-organized in its response to RAP objectives.
- Verify that proposal is complete and thoroughly responds to all Proposal Items and Compliance Documents described in the RFP.
- Formulate responses precisely and with detail; avoid vague, meaningless, or open-ended responses. Explain how your response furthers the stated objectives.
- Make sure proposal demonstrates that your financial projections and cost estimates are realistic and sustainable.
- If there are significant risks in your business strategy, include plans to mitigate those risks, addressing any contingencies that may arise.

Your written submittal in this RFP process will be the primary basis on which the City will consider its award for the Agreement; therefore, proposers should be as thorough and as detailed as possible when responding to each Proposal Item and assembling a proposal. Proposers will not be able to add to or modify their proposals after the proposal due date. RAP may deem a proposer non-responsive if the proposer fails to provide all required documentation and copies.

B. Submitted Proposals

Proposals accepted by RAP in writing constitute a legally binding contract offer. It is requested that proposals be prepared simply and economically, avoiding the use of unnecessary promotional material. **Submitted Proposals - Proposals must contain ALL of the following:**

1. Cover Letter

Proposers are to include a cover letter indicating the contact information for the entity proposing. Include at a minimum:

- Proposing company's legal name (to be used on all documentation associated with this RFP and the resultant Agreement).
- Type of business (corporation, partnership, or sole proprietorship).
- Key names, including title and position.
- Name of main point of contact; said point of contact will be the only recipient of all information related to this RFP and will function as the equivalent to the Department's Contract Coordinator.

- Complete mailing addresses.
- Telephone and fax numbers (including office and cell numbers as appropriate).
- E-mail addresses, and any other information needed by City staff to contact proposers.
- A statement that the proposing entity confirms its acknowledgement and acceptance of the terms and conditions set forth herein, without exceptions.

2. Proposal Deposit

All proposals must include a Twenty-Five Thousand Dollar (\$25,000.00) Proposal Deposit in the form of a cashier's check only, payable to the **City of Los Angeles**. This amount shall be payable as a guarantee that the selected proposer will enter into an Agreement with RAP. The selected proposer shall have forty-five (45) calendar days from the date the Agreement is executed to review, sign and return it to the Department. In the event the selected proposer fails to return the signed Agreement and all other required documents within the allotted time frame, a penalty of One Hundred Dollars (\$100.00) per calendar day shall be applied and deducted from the Proposal Deposit. If, after ninety (90) calendar days from the date the Agreement is awarded, the Agreement is not signed and returned, the City maintains the right to move on to the proposer with the next highest selection ranking.

The Proposal Deposit of the successful proposer will be released upon receipt of the required Performance Deposit, evidence of insurance and execution of the Agreement. In the event that an award is made and the successful proposer fails to execute the Agreement and to provide the required Performance Deposit and insurance policies, the Proposal Deposit of that proposer will be forfeited and retained by the Department.

The Proposal Deposits of unsuccessful proposers will be returned upon execution of an Agreement with the proposer awarded the contract. Proposal Deposits are maintained for all proposers in the event the successful proposer fails to execute the Agreement and another proposer is considered for award.

C. Proposal Submittal Information

Deadline for Submission

To be considered, proposals must be received on or before **XXXXXXXXXX**.

Where to Submit your Proposal

The complete proposal package shall be placed in a sealed envelope(s) or box(es) labeled "Golf Reservation and Management System" Said envelope or box shall have the name and address of the Proposer on the outside and be delivered to:

Los Angeles Department of Recreation and Parks
Office of the Board of Commissioners
Attention: Board Secretary
221 N. Figueroa Street, Suite 300
Los Angeles, CA 90012

Number of Copies

Please provide one (1) original, one (1) non-bound reproducible copy, four (4) copies, and one (1) electronic copy on CD, DVD, USB or Flash Drive. Plainly identify the respective documents.

An original is one in which a form requiring a signature must be signed in wet ink. A reproducible copy is one which can readily be reproduced through a photocopier. If the proposal contains confidential information, a redacted, non-bound reproducible hard copy and an electronic copy of the redacted, non-bound proposal must be submitted in addition to all submitted materials.

Important Notices

Candidates who mail their proposals should allow adequate mail delivery time to ensure timely receipt of the proposals. Late proposals will not be considered for review. The City reserves the right to determine the timeliness of all proposals submitted. At the day and time appointed, all timely submitted proposals will be opened and the name of the proposer(s) announced. No other information about the proposals will be made public until such time as a recommendation concerning proposals is made to the Board of Recreation and Park Commissioners (Board).

RAP reserves the right to extend the deadline for submission should such action be in the best interest of the City. In the event the deadline is extended, proposers will have the right to revise their proposal. Proposals may be withdrawn, by written request, prior to the scheduled closing time for receipt of proposals. Faxed withdrawals will be accepted by the Board Office at (213) 202-2610, Attn: Board Secretary. After withdrawing a previously submitted proposal, the proposer may submit another proposal at any time up to the specified due date and time.

A proposal will be returned only if the above-described withdrawal request explicitly requests that it be returned. It will be returned either to a representative of the proposer who personally presents the withdrawal request with original signature to the Board Office or by USPS mail after the original signed request is received. The proposal will be sent by means of some other service only if the proposer pays for that service.

Submission of a proposal pursuant to this RFP shall constitute acknowledgement and acceptance of the terms and conditions set forth herein. All or portions of this RFP and the contents of the proposal submitted by the successful proposer may become contractual obligations if an Agreement is awarded. Failure of the successful proposer to accept these obligations may result in cancellation of the award and forfeiture of the Proposal Deposit. The City reserves the right to withdraw this RFP at any time without prior notice and return proposals and deposits.

All proposals submitted in response to this RFP become the property of the City of Los Angeles, Department of Recreation and Parks.

Mandatory Pre-Proposal Conference

Pre-Proposal Conference (Conference):

Date: XXXXXXXX, 2017

Time: XXXXXXXX

Location: XXXXXXXX

XXXXXXX

The purpose of the Conference is to clarify the contents of this RFP and to discuss the needs of RAP's Golf Division. Attendance is mandatory. **It is highly recommended that prospective proposers read the complete RFP prior to the Conference and begin preparation of their proposal in order to maximize the benefits of the Conference.**

Contact with City Personnel

Please direct all comments and questions to the Contract Coordinator and Alternate Contract Coordinator. All contact regarding this RFP or any matter relating thereto must be in writing and may be mailed, e-mailed, or faxed as follows:

Name: Rachel Ramos, Supervisor, Concessions Unit
Matthew Rudnick, Chief, Concessions Unit
Address: P.O. Box 86610
Los Angeles, CA 90086-0610
E-mail: Rachel.amos@lacity.org
Matthew.rudnick@lacity.org
Fax: (213) 202-4311

To maximize the effectiveness of the Conference, the Contract Coordinator requests that, to the extent possible, proposers provide questions in writing prior to the Conference. This will enable the Contract Coordinator to prepare responses in advance. Specific questions concerning the RFP should be submitted in writing to the Contract Coordinator and Alternate Contract Coordinator.

Additional questions may be accepted, in writing, at the Conference. However, responses may be deferred and provided as addenda to the RFP at a later date. **All questions must be in writing. Responses to questions will be posted to the Department's website and to labavn.org. It is recommended that questions be submitted as soon as possible in order to provide the Department sufficient time to post written responses prior to the deadline to submit a proposal. Questions will be deemed late and may not be answered after XXXXXXXX, 2016, 5:00 PM.**

All questions, without identifying the submitting company, will be compiled with the appropriate answers and issued as an addendum to the RFP.

When submitting questions, please specify the RFP section number, paragraph number, and page number, and quote the passage that prompted the question. This will ensure that the passage can be quickly found in the RFP. RAP reserves the right to group similar questions when providing answers.

If RAP requirements or the specifications prevent proposers from submitting a proposal that would be beneficial to the City, please address the concern to the Contract Coordinator listed below.

Questions may address concerns that the application of minimum requirements, evaluation criteria and/or business requirements would unfairly disadvantage proposers or, due to unclear instructions, may result in RAP not receiving the best possible responses from proposers.

D. Document Check

Please check the contents of the RFP package carefully to ensure that you have all the necessary documents as referenced within the RFP, including any addenda. If you are missing any items, you should make a written request to the Contract Coordinator identified above.

The complete RFP package and all forms and information are also available at www.laparks.org/proposal.htm. Should you find a discrepancy in or omissions from said documents, or have questions as to their meaning, notify the Contract Coordinator at the above

address in writing or fax no later than the deadline date for receiving proposals. The City of Los Angeles will not be bound by any oral statements or representations.

E. Contractual Arrangements

The proposer selected to perform the services outlined in this RFP will enter into an Agreement, approved as to form by the City Attorney, directly with the City of Los Angeles.

F. Verification of Information

RAP reserves the right to verify the information received in the proposal. If a proposer knowingly and willfully submits false information or data, RAP reserves the right to reject that proposal. If it is determined that an Agreement was awarded as a result of false statements or other data submitted in response to this RFP, RAP reserves the right to terminate the Agreement.

G. Cost of Preparation

All costs of proposal preparation shall be borne by the proposer. The City shall not, in any event, be liable for any expenses incurred by the proposer in the preparation and/or submission of the proposal. All proposers who respond to solicitations do so solely at their own expense.

LEVEL I REQUIREMENTS

1. Compliance Documents

As part of the RFP process, all proposers are to review, complete, and submit the following compliance documents. Information, related forms, and instructions are located in Exhibit D of the RFP (“Compliance Documents”).

Previous compliance document submittals and/or waivers do not apply. New forms must be completed and processed.

Additional information regarding some compliance documents may be available at the Pre-Proposal Conference, on a City website, and/or by phone with the administering City Department of a given ordinance or compliance document. Exemptions from certain ordinances may also apply. RAP reserves the right to request additional information and/or clarification regarding submitted compliance documents during the evaluation process.

The following compliance documents MUST be included with your proposal:

- a. Proposer’s Signature Declaration and Affidavit (Section I.A of Exhibit D)
The document must be signed and notarized. Legal name(s) on all proposal documents and the resultant Contract must be consistent. Only the original notarized form is acceptable.
- b. Disposition of Proposals (Section I.B of Exhibit D)
The document must be signed by an individual authorized to bind the proposer.
- c. Affirmative Action Plan (Section I.C of Exhibit D)
Please read instructions in Exhibit D.
- d. Contractor Responsibility Ordinance Statement (Section I.D of Exhibit D)
Pages 1 through 6 of the document must be completed and submitted with the proposal. Pages 1 and 6 must be signed by an individual authorized to bind the proposer.
- e. Equal Benefits Ordinance Statement (Section I.E of Exhibit D)
Please read the instructions in Exhibit D.
- f. Living Wage Ordinance (LWO)/Service Contractor Worker Retention Ordinance (SCWRO) – *only if applying for an exemption* (Section I.F of Exhibit D). Submittal of documents only required if the proposer is applying for an exemption to the ordinance requirements.
- g. Business Inclusion Program (BIP) Requirements (Section I.G of Exhibit D)
It is the policy of the City to provide Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Small Business Enterprise (SBE), Emerging Business Enterprise (EBE), Disabled Veteran Business Enterprise (DVBE), and all Other Business Enterprise (OBE) concerns an equal opportunity to participate in the performance of all City contracts. Proposers will assist the City in implementing this policy by taking all reasonable steps to ensure that all available business enterprises, including MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs, have an equal opportunity to compete for, and participate in, City contracts. Equal opportunity will be determined by the proposer’s BIP outreach documentation, as described in Business Inclusion Program (BIP) Requirements (Section I.G of Exhibit D), of this RFP. Participation by MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs may be in the form of

subcontracting. Proposers must refer to Business Inclusion Program (BIP) Requirements (Section I.G of Exhibit D) of this RFP for additional information and instructions. BIP outreach must be performed using the Business Assistance Virtual Network (www.labavn.org). A proposer's failure to utilize and complete their BIP Outreach as described in Business Inclusion Program (BIP) Requirements (Section I.G of Exhibit D) may result in their proposal being deemed non-responsive.

The anticipated participation levels are as follows:

MBE Participation:	<u>18%</u>
WBE Participation:	<u>4%</u>
SBE Participation:	<u>25%</u>
EBE Participation:	<u>8%</u>
DVBE Participation:	<u>3%</u>

h. Municipal Lobbying Ordinance / Bidder Certification –
City Ethics Commission (CEC) Form 50 (Section I.H of Exhibit D)
Please read the instructions in Exhibit D.

i. Compliance with Los Angeles City Charter Section 470(c)(12) (Measure H)
Please read the instructions in Exhibit F.

j. Compliance with First Source Hiring Ordinance
Please read the instructions in Exhibit G.

k. Federal Tax ID Number and Form W-9
Please submit your Federal Tax ID Number with the proposal. The name on either document must match the proposer's legal business name, as listed on the Proposer's Signature Declaration and Affidavit.

Complete and submit an original Form W-9 with your proposal (Section I.I of Exhibit D). The name on the W-9 must match the proposer's legal business name, as listed on the Proposer's Signature Declaration and Affidavit.

l. Iran Contracting Act of 2010 Compliance Affidavit
Please complete, sign, and submit the form with the proposal (Exhibit H).

Only the proposer selected for award of this agreement shall submit the following additional required items prior to execution of the Agreement (within forty-five [45] calendar days from the date the agreement is awarded by the Board to the selected proposer):

- m. Americans with Disabilities Act Certification
- n. Business Tax Registration Certificate
- o. Certification of Compliance with Child Support Obligations
- p. Contractor Responsibility Ordinance – Pledge of Compliance
- q. City-approved Proof of Insurance
- r. City-approved Performance Deposit
- s. Los Angeles Residence Information (location of selected concessionaire’s headquarters and percentage of workforce residing in Los Angeles)
- t. LWO/SCWRO – additional related forms from item 4.f. above
- u. Slavery Disclosure Affidavit
- v. First Source Hiring Ordinance – FSHO-1

Failure of the selected proposer to submit all the required documents (specified as items “m” through “v” above) and submit a signed Agreement within forty-five (45) calendar days from the date the contract is awarded by the Board shall cause the proposal to be deemed non-responsive, and a penalty of One Hundred Dollars (\$100.00) per calendar day shall be applied and deducted from the Proposal Deposit. If, after ninety (90) calendar days from the date the contract is awarded by the Board, the contract is not signed and compliance documents not submitted and received by the Board Office, the City maintains the right to move on to the proposer with the next highest selection ranking.

2. Minimum Qualifications

Describe your business entity’s background and experience in providing services similar to this opportunity. **Proposers must have at least five years of experience implementing golf course management and reservation systems and all proposed technology must have been in use for at least one year to be considered as relevant experience. Proposers must also demonstrate that they have successfully provided the proposed golf course management system software to enterprises similar in size and scope to RAP’s golf operations and described in this RFP by providing a list of at least ten (10) golf enterprises that are currently using the proposed product. At least three of the ten must utilize the Proposer’s system for five or more courses.** If this is a new company, partnership, or joint venture formed for the operation of this concession, describe the background and qualifications of each of the partners or principals.

Note: This section pertains to your business entity’s PAST experience and CURRENT operations, not your PROPOSED operation for this Concession.

2.1 Ownership Description

Proposers must include a response to each proposal item listed below:

- 2.1.1 ___ Address
- 2.1.2 ___ Length in business (in years and months)
- 2.1.3 ___ Type: Sole Proprietorship, Partnership, Joint Venture, Corporation or a limited liability company (LLC), etc.
- 2.1.4 ___ Size of company (includes total number of employees and annual gross revenue)
- 2.1.5 ___ Organizational chart
- 2.1.6 ___ Names of persons responsible for operations
- 2.1.7 ___ Any pending mergers (if none, so state in response to this section)

2.1.8 ___ Ownership information for all proposed subcontractors

2.2 Description of proposing entity's experience in and knowledge of golf management and reservation systems.

This section pertains to your business entity's PAST experience and CURRENT operations, not your PROPOSED operation for this RFP.

Proposers must include a response to each proposal item listed below (if none, so state in response to each item below):

- 2.2.1 ___ Description of similar current and past golf management and reservation system deployments
- 2.2.2 ___ Proposer's years of above experience
- 2.2.3 ___ Extent of any related experience
- 2.2.4 ___ Additional information that demonstrates your qualifications

2.3 Contracts History (include contact information for all contracts listed):

Proposers must include a response to each proposal item listed below (if none, so state in response to each item below):

- 2.3.1 ___ List of all contracts commenced and terminated, for whatever reasons, during most recent twelve (12) months, along with an explanation of the reasons for the termination.
- 2.3.2 ___ List of all contracts which terminated during 2016, along with an explanation of the reasons for the termination.

2.4 Current Operations

Proposers must include a response to each proposal item listed below (if none, so state in response to each item below):

- 2.4.1 ___ Employee hiring, training, motivation, and promotion policies.
- 2.4.2 ___ Methods and controls for accounting.

2.5 References

Proposers must include a response to each proposal item listed below:

- 2.5.1 ___ Business References: Provide a minimum of three (3) references with whom you have conducted business to verify relevant past performance. Include names, addresses, telephone numbers, and the scope of the business relationship.
- 2.5.2 ___ Financial References: Provide a minimum of three (3) references from banks or other financial institutions; include names, addresses, telephone numbers, and the type of relationship (for example, checking/savings accounts, commercial loans, landlord, lessor, etc.)

3. Financial Capacity

Each proposer must demonstrate the financial means and resources to finance, operate, and sustain the operation as proposed, including start-up and pre-deployment costs, inventory and sufficient working capital, and access to additional capital, if needed. To this end, each proposer must provide, with the submitted proposal, the following items. All items submitted are subject to verification by RAP.

3.1 Good Standing

No qualified opinion in the audited financial statements, including "going concern" issues

3.2 Amount of Investment Required

State the amount of investment you will require to provide services as proposed. This amount must include Start-Up Costs (Proposers must include a response to each proposal item listed below):

3.2.1 Amount of Investment to begin operations as proposed (to include):

- Performance Deposit
- Inventory
- Equipment
- Operating Supplies
- Training
- Others (list)

3.3 Source(s) of Funding Concession Operation

Proposers must include a response to each proposal item listed below:

3.3.1 Indicate whether the proposed source of funding the above amount is cash reserves, financing from a commercial lender, other sources, or a combination thereof.

3.3.2 Of the total amount required, indicate the amount that is to be funded through each source.

3.4 Financial Documentation

Each proposer must provide, with the proposal, the following written verification of its ability and commitment to provide adequate funding in the amount indicated above.

(If a partnership or joint venture, the following must be provided for each of the entities comprising the partnership or joint venture.)

Proposers must include a response to each proposal item listed below:

3.4.1 If cash reserves are to be used to fund the operation, provide the following (If no cash is to be used, so state in your response to this section):

- Bank statements for the proposing entity for the twelve (12) months preceding the release date of this RFP.
- If proposing entity is a public corporation, include a letter signed by an officer of the company that represents that company's finance committee or other entity (executive committee, board of directors, etc.) that has the authority to approve the expenditures.

NOTE: Such letter must be an original and must be notarized.

- Copies of current credit reports/ratings of the proposing entity. If private capital is to be used, provide copies of current credit reports/ratings of the person(s) whose funds are to be used ("Current" shall mean current as of September 2016 or later).

3.4.2 If loans are to be used to fund the operation, provide the following (if no loans are to be used, so state in your response to this section):

- A copy of an unconditional, formal letter of commitment from the lender(s);

____ Copies of current credit reports/ratings of the proposing entity. (“Current” shall mean current as of December 2015 or later)

- 3.4.3** Provide detailed documentation for any additional sources of funding. If no other sources of funding are to be used other than those already indicated, so state in your response to this section.

**AGREEMENT BETWEEN
THE CITY OF LOS ANGELES
AND**

XXXXXXXXXX

**FOR ACQUISITION OF GOLF MANAGEMENT AND RESERVATION SYSTEM
SOFTWARE LICENSE, **HARDWARE** AND SUPPORT**

This Agreement is entered into this _____ day of _____, 20____, by and between the City of Los Angeles, (hereinafter referred to as "CITY") a municipal corporation, acting by and through its Department of Recreation and Parks (hereinafter referred to as "RAP"), and **XXXXXXXXXXXXXXXXXXXXXX** (hereinafter referred to as "VENDOR"). CITY and VENDOR shall be referred to hereinafter collectively as the "Parties".

WHEREAS, pursuant to Charter Section 371(e)(2), that the professional, scientific, expert, technical or other special services to be performed by VENDOR, are of a temporary and occasional character for which competitive bidding is not practicable or advantageous; and

WHEREAS, pursuant to Charter Section 371(e)(10), that the services to be provided by VENDOR, are for the performance of professional, scientific, expert or technical services and the use of competitive bidding would be undesirable, impractical or impossible or is otherwise excused by common law; and

WHEREAS, RAP desires to secure the technical, expert and professional services of a qualified Vendor on an occasional and as-needed basis in order to enhance the golf experience of the public; and

WHEREAS, pursuant to Charter Section 1022 Determination Policy, a Charter Section 1022 Determination is not required when Vendor requires use of its staff or specially trained and certified persons to install, maintain or service equipment or other product in order to maintain warranties, patent rights or due to other rational basis; or the labor component cannot reasonably be separated from the other agreement elements; and

WHEREAS, VENDOR is experienced in providing the services of the type required, is willing to perform such service, and can provide such services to RAP; and

WHEREAS, it is in RAP's best interest to secure these services from VENDOR; and

WHEREAS, RAP has the need for a golf management and reservation software system on an occasional and as-needed basis; and

WHEREAS, pursuant to City of Los Angeles Request for Proposals (RFP) **XXXXXX**, dated **XXXXXXXX**, attached hereto and incorporated herein by reference as Attachment B, authorizes the CITY to contract with Vendor for the purchase and installation of software, hardware and support for a golf management and reservation system; and

NOW THEREFORE, the CITY and VENDOR hereby agrees as follows:

SECTION 1 - PARTIES TO THE CONTRACT, REPRESENTATIVES AND NOTIFICATION

A. Parties

The parties to this Agreement are:

CITY - The City of Los Angeles, a municipal corporation, acting by and through its Department of Recreation and Parks, with its principal office at 221 N. Figueroa Street, Suite 350, Los Angeles, California 90012.

VENDOR – XXXXXXXXXXXX a XXXXXX corporation with offices at XXXXXXXXXXXX.

B. Representatives

The representatives of the parties who are authorized to administer this Agreement and to whom formal notices, demands and communications will be given are as follows:

CITY's representative will be:

Michael A. Shull, General Manager
City of Los Angeles, Department of Recreation and Parks
P.O. Box 86328
Los Angeles, CA 90086-0328

With copies to:

Noel Williams, Chief Financial Officer
City of Los Angeles, Department of Recreation and Parks
Finance Division
P.O. Box 86328
Los Angeles, CA 90086-0328

E-mail: Noel.Williams@lacity.org

Telephone Number: (213) 202-4380
Fax Number: (213) 202-3215

and

Laura Bauernfeind, Golf Manager
City of Los Angeles, Department of Recreation and Parks
Golf Division
Mail Stop 656-6
3900 Chevy Chase Drive
Los Angeles, CA 90039

Email: laura.bauernfeind@lacity.org
Telephone Number: (818) 246-1624
Fax Number: (818) 246-1929

VENDOR's representative will be:

XXXXXX CONTACT NAME
XXXXXX COMPANY NAME
XXXXXXXXX ADDRESS
XXXXXX

Email: XXXXXXXXXXXXXXXX

Telephone Number: XXXXXXXXXXXXXXXX
Fax Number: XXXXXXXXXXXXXXXX

C. Notices

Formal notices, demands and communications to be given hereunder by either party will be made in writing and may be effected by personal delivery or certified mail, return receipt requested, and will be deemed communicated as of the date of receipt.

If the person designated to receive the notices, demands or communications or if the address of such person is changed, written notice of such change shall be given, in accordance with this Section, within five (5) working days of the change.

VENDOR shall address all questions and correspondence to:

Laura Bauernfeind, Golf Manager
City of Los Angeles, Department of Recreation and Parks
Golf Division
Mail Stop 656-6
3900 Chevy Chase Drive
Los Angeles, CA 90039

Email: laurabauernfeind@lacity.org

Telephone Number: (818) 246-1624
Fax Number: (818) 246-1929

SECTION 2 - DEFINITIONS

- A. XXXXXXXXXXXXXXXX - Software to electronically manage and display golfer data and course tee time availability in multiple channels.
- B. XXXXXXXXXXXXXXXX - Software to electronically facilitate designated RAP transactions, manage inventory and report on revenues..
- C. XXXXXXXXXXXXXXXX - Software to transfer and/or display data to third-parties approved by XXXXXXXX. Herein referred to as a Third-Party Interface or INT.
- D. XXXXXXXXXXXXXXXX - Software to display tee times and permit reservations of tee times by end users (each, an "End User") through RAP-operated or third-party channels including, but not limited to, XXXXXXXX-operated websites or mobile sites. RAP agrees that all channels utilized by RAP to make its tee times available and permit reservations of tee

times by End Users are subject to XXXXX' prior approval. For those circumstances where XXXXXXX Trade Times are posted to RAP's course site ("Split Times"), RAP shall be required to reference and provide links to XXXXXXX Privacy Policy and Terms & Conditions.

SECTION 3 - TERM OF AGREEMENT

The term of this Agreement shall be for a period of five years from date of execution with one five year renewal option for software and hardware maintenance and support, subject however to earlier termination by RAP as provided in Section 4.P of this AGREEMENT.

The GENERAL MANAGER of RAP may, at his/her sole discretion, by written amendment to this AGREEMENT, extend it for one five-year term.

Neither CITY, nor any BOARD member, officer, or employee thereof shall be liable in any manner to VENDOR because of any action taken to revoke or renew the AGREEMENT.

The CITY has the right to cancel the AGREEMENT for cause at any time. Should CITY cancel the AGREEMENT prior to the expiration of the initial five-year term, CITY agrees to a one-time early termination fee equal to the net-depreciated value of the Hardware, Installation and Training, Mobile App and Website Design fees provided by XXXXXXX. The maximum early termination fee is XXXXXXX and will depreciate monthly by \$XXXXXX.

SECTION 4 - SCOPE OF SERVICES

A. Services to Be Provided by Vendor

VENDOR will provide or license (as applicable) to RAP, the software, hardware (equipment) and support (collectively Services), as set forth in the SOW, as shown on Schedule A. Unless expressly stated in a SOW, the SOW will be governed by this Agreement and in the event of a conflict between this Agreement and a SOW, the terms of this Agreement will take precedence. RAP or VENDOR may request changes that would increase, decrease or otherwise modify the scope of services detailed in an SOW; however, no such changes will be effective until such changes and the method of compensation for such changes are documented in a written amendment signed by both parties.

VENDOR will provide installation and training services to train as many personnel as RAP deems necessary in the complete and proper use and operation of the Software. VENDOR will provide RAP with XXINSERT NUMBER OF DAYSXX installation and training days and will be conducted by VENDOR trainers live and in person, at RAP's offices in the City of Los Angeles, California.

B. Service Conditions

Services provided by VENDOR to RAP are detailed in the applicable SOW and, except as expressly detailed therein, are subject to the following terms:

1. General

- i. VENDOR shall have no liability to RAP for loss or damage to hardware provided to RAP by VENDOR after they have been delivered to RAP's premises, installed by VENDOR personnel, and accepted by RAP personnel. If any hardware is lost or damaged during shipment or delivery, VENDOR shall replace it at no additional charge to RAP.
- ii. From time-to-time, VENDOR shall replace hardware or replacement parts necessary to keep the hardware in good working order. RAP will cooperate and allow the installation of replacement hardware or parts when VENDOR notifies RAP of same. VENDOR will make best efforts to repair or replace hardware or replacement parts within 48 hours of receipt of a written request from RAP.
- iii. In the event of early termination of this Agreement, RAP will return, at RAP's sole expense, all hardware to VENDOR in good working order, reasonable wear and tear excepted and with the exception of repair and replacement requested by RAP or repair and maintenance required to keep the hardware in good working order.
- iv. Subject to RAP's compliance with this Agreement, VENDOR grants to RAP a revocable, non-exclusive, non-sublicensable, limited license to access and execute software provided to it by VENDOR (Software).
- v. RAP may only use the Services in connection with its business operations, in accordance with the terms and conditions of this Agreement, and not for the benefit of any third party or for any other purpose.
- vi. RAP will not copy, modify, alter, adapt, translate, create derivative works from, reverse engineer, disassemble, decompile or decode the software in any way for any reason, or engage in or authorize any action that is inconsistent with the terms and conditions of this Agreement or that violates any law.
- vii. If RAP provides its own hardware (including peripheral equipment) for use with the Software, such hardware must meet or exceed VENDOR's current technical specifications (provided that the most current specifications must be provided by VENDOR) for purposes of compatibility with the VENDOR offerings. RAP's hardware (including peripheral equipment) shall be reviewed and subsequently approved by a VENDOR technical representative prior to delivery or use by RAP of any Software. VENDOR agrees to work with RAP to ensure that the hardware (including peripheral equipment) operate properly with the Software.
- viii. RAP acknowledges that VENDOR may use subVendors, subject to prior written approval by RAP, to provide the Services.
- ix. RAP acknowledges that the timing of all Services, provision and installation of Software and Hardware, and delivery of work product is subject to cooperation from RAP. RAP will provide VENDOR as shall be mutually agreed upon by the parties to provide access to any information including documents, staff, and other resources reasonably needed by VENDOR to perform the obligations under this Agreement.
- x. Ownership of all right, title, and interest in and to the Services (Software, Hardware) shall vest only on VENDOR and will always remain with VENDOR including, without limitation, any enhancements or upgrades to the Software, any VENDOR manuals, and all

copyrights, trademarks, patents, trade secrets and any other intellectual property and proprietary rights in and to the foregoing, even after it is delivered to RAP.

2. Hardware and Software Configuration and Security

RAP agrees that it will not alter the configuration of the Hardware or Software (either by golf course personnel or, upon RAP's written request, by VENDOR personnel) to allow unrestricted internet browsing or additional functionality. In the event of such alterations, VENDOR will, if requested by RAP, provide repair and technical support services concerning such issues at its then standard consulting rates. RAP also agrees to reimburse VENDOR for all reasonable costs and expenses associated with such repair and technical support, subject to prior written approval of such costs by RAP. RAP will be responsible for maintaining security on its network at all times. VENDOR assumes no responsibility for viruses, malware, or other issues that arise due to activity on RAP's network, and accepts no liability for the consequences of said activity, regardless of the ownership of the hardware residing on the network.

3. Connectivity

RAP will be solely responsible for the procurement, payment and maintenance of all telephone and internet connectivity used in connection with the Hardware, Software and Services, and for all networking functions within RAP facilities. RAP agrees that such connectivity will meet or exceed bandwidth requirements as may be provided by VENDOR from time to time. In no event will RAP obtain internet access for use or provision of the Hardware, Software or Services through a satellite or Wi-Fi provider. However, Wi-Fi access is permitted for tablets assuming the standard wireless encryption and security protocols (password, network segmentation) have been deployed by RAP.

4. Up Time

VENDOR will make best efforts to make the **Tee Time and Reservation Center** available 99.9% of the time except for downtime due to maintenance or events outside of VENDOR's control. VENDOR will provide RAP 48 hours' notice of maintenance that requires downtime.

C. Security, Data Ownership and Privacy

1. PA-DSS and PCI-DSS Compliance

VENDOR represents and agrees that VENDOR's **XXSYSTEM NAMEXX** is, and shall continue to remain, Payment Application Data Security Standard (PA-DSS) certified. VENDOR's Point-of-Sale (POS) is certified "out of scope" of the PA-DSS guidelines for POS systems, and RAP agrees to the **same (i.e., the POS software does not store, process, or transmit sensitive cardholder data, although it does provide an interface with several PA-DSS compliant credit card payment engines and devices).** RAP agrees that it is wholly and solely responsible for complying with the Payment Card Industry Data Security Standard, as amended (PCI), including without limitation, establishing and maintaining PCI compliance with respect to RAP's card facilities, software, systems, processing and storage environment, and network.

2. End User Data

- i. RAP End-User Data – **XXCOMPANY NAMEXX** shall not have ownership or any right to information collected from End Users through RAP specific channels (e.g., at RAP’s golf course(s), on RAP’s website, via a RAP-specific App, or RAP’s Reservation Center) and such information will be owned by RAP and is referred to in this Agreement as “RAP End User Data”. RAP reserves all of its rights to RAP End User Data.
- ii. **XXCOMPANY NAMEXX** Use of RAP End-User Data – **VENDOR** acknowledges that RAP will own all End-User data (including, without limitation, Personal Golfer Information as defined below in this paragraph) collected by RAP (RAP End User Data). RAP agrees that **VENDOR** may access and use RAP End-User Data to provide Software, Hardware and Services to RAP only for the performance of the Agreement. RAP also agrees that RAP End-User Data, excluding Personal Golfer Information (Personal Golfer Information includes without limitation any personally identifiable information or credit card information for an End-User) and course specific information, may be used in the aggregate by **VENDOR** to identify trends or cultivate business intelligence data for research purposes only. Such research shall be shared with RAP. **VENDOR** is specifically prohibited from using RAP End-User Data to market products or services.
- iii. Third Party Interfaces – RAP acknowledges that **VENDOR** End-User data (including, without limitation, Personal Golfer Information) collected through a Third-Party Interface selected by RAP may be used and owned by multiple parties, including **XXCOMPANY NAMEXX** and the Third-Party using the **XXCOMANY NAMEXX** API or INT. As detailed above, RAP selects in a SOW the Third-Party Interfaces through which RAP’s tee time reservations can be made available (if any). Notwithstanding any provision of the Agreement, when collecting data **VENDOR** and any Third Party shall be responsible for obtaining any End-User authorization or consent for use of Personal Golfer Information.
- iv. **XXCOMPANY NAMEXX** End-User Data – RAP acknowledges that **XXCOMPANY NAMEXX** will own all End-User data (including, without limitation, personal information) collected via the following **XXCOMPANY NAMEXX** consumer platforms; including but not limited to
- v. Restrictions on Use of End-User data – Each party acknowledges that neither party makes any representation that any End User information or data is collected in a manner that secures consent for either party to use the information or data for any particular marketing tactic (e.g., text messaging, robocalls, etc.) and that it is each party’s sole responsibility to ensure it has the requisite consent from individuals prior to engaging with End Users. Each party agrees to comply with all applicable laws, rules and regulations, including, without limitations, the CAN-SPAM Act of 2003, the Telephone Consumer Protection Act of 1991, and various state laws and regulations concerning telemarketing, electronic communications and other forms of communications.

3. Privacy

Each party agrees that it will be solely responsible for posting or otherwise making available a legally compliant terms of use and privacy policy in connection with transactions with End-Users and the collection of RAP End-User Data and its compliance with them.

D. Confidentiality

The following provisions govern the exchange, use and disclosure of the parties' proprietary and confidential information:

1. The term "Confidential Information" refers to all materials and information which have or will come into the possession or knowledge of the other party (in that instance, the Receiving Party) that the other party (in that instance, the Disclosing Party) has designated as confidential or proprietary, or which the Receiving Party should reasonably believe to be confidential or proprietary, and automatically includes, without limitation, i) information relating to the business and marketing plans and financial status of the Disclosing Party, ii) any non-public new product or strategic relationship plans of the Disclosing Party and any of the Disclosing Party's trade secrets, iii) all know-how and other information pertaining to skills and technology that are proprietary to the Disclosing Party, and iv) the terms of this Agreement and any SOW. "Confidential Information" means all information provided by RAP pursuant to this Agreement and in the case of VENDOR, information excluded from the mandatory disclosure provisions.
2. The party receiving Confidential Information (Receiving Party) from the other party (Disclosing Party) will hold all Confidential Information in the strictest confidence and may only disclose Confidential Information to its employees and Vendors on a need-to-know bases who are subject to obligations of confidentiality substantially similar to those obligations set forth in this Agreement. The Receiving Party agrees to protect Confidential Information with the same degree of confidentiality and care with which it treats its own confidential information of a similar nature, but in no event less than with reasonable care.
3. The Receiving Party agrees that because of the unique nature of the Disclosing Party's Confidential Information, disclosure of such confidential information in violation of the provisions of this Agreement would cause irreparable harm to the Disclosing Party. Accordingly, the Receiving Party agrees that in the event of any violation or threatened violation of this section by the Receiving Party, the Disclosing Party may obtain, in addition to any other legal remedies that may be available under law or in equity, and without being required to post bond, such equitable relief as maybe necessary to protect the Disclosing Party against any such violation or threatened violation.
4. Nothing contained in this Agreement will in any way restrict or impair the Receiving Party's right to use, disclose or otherwise deal in information which: a) at the time of disclosure is in the public domain, as evidenced by written publication; b) after disclosure to the recipient becomes part of the public domain by written publication through no fault of the recipient; c) the recipient can demonstrate was in its possession prior to the time of disclosure to the recipient and was not acquired directly or indirectly from the disclosing party or any person, firm or corporation acting on its behalf; d) the recipient can show was acquired by the recipient independently, after disclosure hereunder, from a third party without breach of agreement or violation of law. Or e) the recipient must disclose as may be required by order of a court of competent jurisdiction, provided, however, that prior to any such disclosure, the recipient notifies the disclosing party of the recipient's intent to disclose such information so that the disclosing party may seek a protective order or injunctive relief to prevent such disclosure.
5. VENDOR acknowledges that all material and information supplied by RAP which has or will come into the possession or knowledge of VENDOR in connection with VENDOR's performance is to be considered RAP's confidential and proprietary

information, disclosure of which information to or use by third parties will be damaging or which disclosure may be prohibited by law. VENDOR agrees to hold such material and information in strictest confidence, not to make use of it other than for performance as defined in this Agreement, to release it only to VENDOR employees needing to know such information, and not to release or disclose it to any other party or otherwise violate applicable law with respect to any disclosure of information. RAP's damages arising from VENDOR's violation of this provision are difficult to ascertain and for which there is not a sufficient remedy at law.

E. Marks and Intellectual Property

1. Except as expressly provided in this Agreement, neither party will have any rights in the other party's name, logo, service marks, trademarks, trade names, taglines or any other proprietary designation (Marks).
2. As a matter of policy, the City does not endorse the products or services of a Vendor. News releases concerning any resultant Agreement from this solicitation will not be made by a Vendor without the prior written approval of the City.
3. RAP will provide VENDOR information about RAP's facilities (including but not limited to course photos, course descriptions, course logos) as the parties may mutually agree to from time-to-time, and RAP authorizes VENDOR to publish such information on any platform (including, without limitation, online) operated by VENDOR or, subject to mutual agreement by the parties, an authorized third party. RAP agrees that it will supplement or otherwise amend such information from time-to-time so that such information remains current.

F. Warranty

VENDOR warrants that during the term of the Agreement, the hardware and software will be free from material defects in material and workmanship and that the hardware and software performs substantially in accordance with the identifiable set of functional specifications. Any errors or non-conformances shall be corrected by VENDOR at no charge to RAP.

G. Disclaimer

Except for the warranties provided in the Agreement, VENDOR disclaims all other warranties and conditions with respect to the Hardware, Software and Services either express implied or statutory, including, but not limited to the implied warranties and/or conditions of merchantability, satisfactory quality, fitness for a particular purpose, accuracy, VENDOR does not warrant that the operation of the Hardware or Software will be uninterrupted or error free, that any service will continue to be made available. Installation of the hardware and software may affect the usability of third party software, applications or third party services.

H. Patent and Copyright Indemnification

VENDOR covenants and represents that the software and all related materials supplied to RAP hereunder do not infringe or otherwise constitute wrongful use of any copyright, patent, registered industrial design, trade mark, trade secret or any other right of any third party. VENDOR shall indemnify, defend and hold harmless RAP from any suit or proceeding

brought against RAP by reason of any such infringement or any wrongful use. VENDOR shall in no event consent to any injunction, accounting or other equitable remedy which results in any expense to RAP or its inability to operate the Application Software in accordance with the System Specifications without RAP's prior consent, such consent not to be unreasonably withheld.

I. Audit

During the Term and for a period of four (4) years thereafter, VENDOR will retain all records pertaining to the performance of its obligations under this Agreement and will permit RAP to inspect such records upon reasonable advance notice at any time, but in no event more frequently than once in each calendar year, for the period such records are retained pursuant to this section.

J. Taxes

VENDOR and RAP acknowledge and agree that RAP is exempt from the imposition of any taxes arising from the transaction contemplated by this Agreement and RAP has presented VENDOR with evidence demonstrating such exemption. RAP shall not be responsible for any taxes which accrue to VENDOR or otherwise as a result of the income realized from the products or services sold or provided under this Agreement.

K. Waiver and Modification

No term of this Agreement shall be deemed waived or breach- excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

L. Assignment

VENDOR shall not assign or transfer this Agreement to any other person or entity without the written consent of RAP, which shall not be unreasonably withheld. RAP shall not assign or transfer this Agreement to any other person or entity without the written consent of VENDOR, which shall not be unreasonably withheld. Any assignment approved hereunder shall not relieve the assignor of any liability which has accrued under this Agreement unless the assignee executes an Assumption Agreement reasonably satisfactory to the non-assigning party.

M. Performance of Work

VENDOR agrees to perform faithfully, industriously, and to the best of VENDOR's ability, experience, and talents, in accordance with generally accepted standards of professional skill and care among recognized industry experts engaged in similar services, all of the duties described by the express and implicit terms of this Agreement, to the reasonable satisfaction of RAP. VENDOR shall perform all of its duties hereunder according to RAP's requirements and procedures. RAP shall be the sole judge of whether VENDOR's duties are performed satisfactorily.

N. Miscellaneous

Unless otherwise expressly stated in a SOW, the SOW will be governed by this Agreement and in the event of a conflict between this Agreement and a SOW, the terms of this Agreement shall govern. Neither party will be held responsible for any delay or failure in performance of any part of this Agreement to the extent it is caused by circumstances beyond its control. All notices under this Agreement must be in writing and will be sufficient if delivered personally or sent by overnight courier or by certified mail, postage prepaid, return receipt requested, to the addresses set forth at the beginning of this Agreement or in a SOW. All rights and remedies provided in this Agreement are cumulative and not exclusive of any other rights or remedies that may be available to the parties. The waiver by either party of any breach of this Agreement will not be construed to be a waiver of any succeeding breach. Neither party may assign this Agreement without the prior written consent of the other party unless, with advance written notice, to a controlled subsidiary of that party or a purchaser of all or substantially all of that party's assets. The rights and obligations of this Agreement shall bind and benefit any permitted successors or assigns of the parties. The performance by VENDOR of its duties and obligations under this Agreement will be that of an independent Vendor, and nothing herein will create or imply an agency relationship between VENDOR and RAP. This Agreement is governed in all respects by the laws of the State of California without regard to conflict of law provisions. Each party exclusively submits to the personal jurisdiction of the courts located within Los Angeles County, California. This Agreement may be modified only by a written instrument executed by authorized representatives of the parties. Any provision of this Agreement that is declared by a court to be invalid or unenforceable shall be ineffective only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof. Any such invalidity or unenforceability in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements, proposals, negotiations, representations or communications relating to the subject matter.

O. Relationship of the Parties

The relationship between VENDOR and RAP is that of an independent Vendor. VENDOR shall supply all personnel, equipment, materials, and supplies at its own expense, except as specifically set forth herein. VENDOR shall not be deemed to be, nor shall it represent itself as, employees, partners, or joint venturers of RAP. VENDOR is not entitled to workers' compensation benefits or other employee benefits from RAP and is obligated to directly pay federal and state income tax on money earned under this Agreement.

P. Termination of Agreement

RAP may terminate this AGREEMENT at any time, by providing thirty (30) days written notice, subject to the conditions set forth in Section 3 of this AGREEMENT and Exhibit D –Standard Provisions for City Contracts (Rev. 3/09). RAP shall give notice of such termination by sending registered letter, with return receipt request to the representatives listed in SECTION 1 of this AGREEMENT.

In the event this AGREEMENT is terminated by RAP, RAP shall compensate VENDOR for those portions of work satisfactorily completed prior to the effective date of such termination, less payment or payments, previously made by RAP for said services, but shall not be liable for cost of services performed or expenses incurred subsequent to such termination.

Upon termination or expiration of this Agreement, for any reason except default by VENDOR, each party shall return to the other party all papers, materials and properties of the other party held for purposes of executing the Agreement. VENDOR may terminate this Agreement only if RAP is in default of the Agreement as defined in Section 4.19. If RAP terminates this Agreement for any reason other than VENDOR's default of the Agreement, VENDOR may discontinue any license granted to RAP under this Agreement and RAP will:

- i. Immediately cease using the Software and any other VENDOR materials;
- ii. Return, purge or destroy (as directed by VENDOR) all Software and other VENDOR materials and certify to VENDOR in writing that all such copies have been surrendered or destroyed in accordance with the foregoing;
- iii. Pay to VENDOR any fees due and owing under the Agreement as of the effective date of termination for which funds have been appropriated;
- iv. Cooperate with VENDOR for the retrieval of any Hardware at RAP's premises;
- v. Any obligations and duties that, by their nature, extend beyond expiration or termination of this Agreement will survive the expiration or termination of this Agreement, including without limitation, payment of fees and charges permitted under this Agreement, indemnification and confidentiality obligations; and
- vi. Upon the natural expiration or non-renewal of this Agreement or any SOW, VENDOR will provide to RAP shipping instructions which RAP will follow to return any Hardware. VENDOR will pay for all return shipping in this instance.

Q. Default by RAP

The nonpayment or nonperformance of any material obligation under this Agreement by RAP shall not be deemed a default unless RAP fails to cure the default within forty-five (45) business days after written notice to RAP of such nonpayment or nonperformance, or, if the default cannot be cured within forty-five (45) days, RAP commences to cure the default within the forty-five (45) day period and completes the cure of the default within a reasonable time (the "Cure Period"). If RAP fails to cure such default within the Cure Period, or, prior to complete payment under the terms of this Agreement, ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act, then VENDOR may discontinue any and all licenses for the Software or terminate this Agreement. Any nonpayment or nonperformance by RAP which is the result of a dispute between the parties to this Agreement shall not be considered a default by RAP.

R. Default by VENDOR

The nonperformance of any obligation of VENDOR shall not be deemed a default unless VENDOR fails to cure the default within forty-five (45) days after written notice to VENDOR of such nonperformance. If VENDOR fails to cure such default, ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself of or

becomes subject to any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or the protection of the rights of creditors, then RAP at its sole option may do any one or more of the following: (i) terminate this Agreement; (ii) suspend any payments due under the Agreement; (iii) pursue any remedy available to it at law or in equity in addition to any specific rights or remedies set forth in this Agreement; (iv) continue to use the Software for as long as RAP deems necessary for the sole purpose of operating RAP's business needs. Each of the aforesaid rights and remedies are cumulative and RAP's election of one shall not be deemed to be exclusive of the election of any other of the rights and remedies herein described.

S. Services to be Provided By City

RAP personnel will work cooperatively with VENDOR to ensure timely review of all services provided by VENDOR under this Agreement.

RAP will promptly act, review, and make decisions as necessary to permit the orderly progress of VENDOR's work under this Agreement.

SECTION 5 – COMPENSATION AND INVOICING XXXThis section to be finalized based on selected proposalXXX

A. Compensation

RAP will pay VENDOR for the Services provided or licensed though an XXXXXXXXXXXX payment option, as detailed in the SOW.

B. Invoicing

VENDOR shall submit invoices to RAP for all services or work performed. Once services or work have been completed to the satisfaction of RAP, VENDOR may submit and invoice for the agreed amount on VENDOR's original proposal. Invoices must include VENDOR's name, date, address, and contact phone number. Summary of work completed, address/location of work completed, and dollar amount originally proposed and agreed upon by RAP.

Invoices must be submitted to:

Laura Bauernfeind , Golf Manager

City of Los Angeles, Department of Recreation and Parks
Golf Division
Mail Stop 656-6
3900 Chevy Chase Drive
Los Angeles, CA 90039

Email: laura.bauernfeind@lacity.org

Telephone Number: (818) 246-1624

Fax Number: (818) 246-1929

VENDOR's invoice will be reviewed and approved for payment by RAP's designated Project Manager or designee. Once signed off by the Project Manager, invoice will be processed by RAP's Accounting Section for payment. RAP may take up to 30 days for payment if invoiced properly submitted, unless VENDOR offers a discount for an early processed payment.

SECTION 6 – COMPLIANCE WITH LAWS AND REGULATIONS

This Agreement, including all schedules attached hereto and/or incorporated by reference herein, shall be governed in accordance with all applicable laws of the United States of America, the State of California, and the City of Los Angeles. This Agreement shall be governed by, enforced and interpreted under the law of the State of California and the City of Los Angeles and shall be subject to:

Any and all applicable laws, ordinances, statutes, rules, regulations or orders, including the Los Angeles Municipal Code (LAMC), Los Angeles Administrative Code (LAAC), the Charter of the City of Los Angeles, and of any governmental authority, federal, state or municipal, lawfully exercising authority over the VENDOR's operations.

Included within the scope of the laws, referred to in this paragraph but in no way to operate as a limitation, are all forms of Federal, State, and City laws, regulations policies and ordinances (see below). Any breach by VENDOR of the laws, regulations, policies and ordinances shall constitute a breach of this Agreement.

A. Affirmative Action Program:

Pursuant to the LAAC, Section 10.8.4., VENDOR shall comply with the following practices. For the purposes of this section, VENDOR shall be referred to as "Contractor", AGREEMENT shall be referred to as "Contract", and RAP shall be referred to as "Awarding Authority". Further definitions for this section can be found in the LAAC, Section 10.8.1.

1. During the performance of a City Contract, the Contractor certifies and represents that the Contractor and each Subcontractor hereunder will adhere to an Affirmative Action Program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
 - i. This section applies to work or services performed or materials manufactured or assembled in the United States.
 - ii. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work, or service category.
 - iii. The Contractor shall post a copy of Paragraph A, hereof, in conspicuous places at its place of business available to employees and applicants for employment.

2. The Contractor shall, in all solicitations or advertisements for employees placed, by or on behalf of, the Contractor, state that all qualified applicants will receive consideration for employment without regard to their race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
3. At the request of the Awarding Authority or the DAA, the Contractor shall certify on an electronic or hard copy form to be supplied, that the Contractor has not discriminated in the performance of City Contracts against any employee or applicant for employment on the basis or because of race, color, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
4. The Contractor shall permit access to, and may be required to provide certified copies of, all of its records pertaining to employment and to its employment practices by the Awarding Authority of the DAA for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City Contracts and, upon request, to provide evidence that it has or will comply therewith.
5. The failure of any Contractor to comply with the Affirmative Action Program provisions of City Contracts may be deemed to be a material breach of a City Contract. The failure shall only be established upon a finding to that effect by the Awarding Authority, on the basis of its own investigation or that of the DAA. No finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the Contractor.
6. Upon a finding duly made that the Contractor has breached the Affirmative Action Program provisions of a City Contract, the Contract may be forthwith cancelled, terminated, or suspended, in whole or in part, by the Awarding Authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, the breach may be the basis for a determination by the Awarding Authority or the Board of Public Works that the Contractor is a non-responsible bidder or proposer pursuant to the provisions of Section 10.40 of this Code. In the event of such determination, the Contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
7. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the Contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City Contract, there may be deducted from the amount payable to the Contractor by the City of Los Angeles under the contract, a penalty of ten dollars (\$10.00) for each person for each calendar day on which the person was discriminated against in violation of the provisions of a City Contract.

8. Notwithstanding any other provisions of a City Contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
9. The Public Works Board of Commissioners shall promulgate rules and regulations through the DAA and provide to the Awarding Authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations, or forms may be used by an Awarding Authority of the City to accomplish this contract compliance program.
10. Nothing contained in City Contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
11. By affixing its signature to a Contract that is subject to this article, the Contractor shall agree to adhere to the provisions in this article for the duration of the Contract. The Awarding Authority may also require Contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve, or implement a qualifying Affirmative Action Program.

The Contractor certifies and agrees to immediately implement good faith effort measures to recruit and employ minority, women, and other potential employees in a non-discriminatory manner including, but not limited to, the following actions as appropriate and available to the Contractor's field of work. The Contractor shall:

- a. Recruit and make efforts to obtain employees through:
 - i. Advertising employment opportunities in minority and other community news media or other publications.
 - ii. Notifying minority, women, and other community organizations of employment opportunities.
 - iii. Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
 - iv. Encouraging existing employees, including minorities and women, to refer their friends and relatives.
 - v. Promoting after school and vacation employment opportunities for minority, women, and other youth.
 - vi. Validating all job specifications, selection requirements, tests, etc.
 - vii. Maintaining a file of the names and addresses of each worker referred to the Contractor and what action was taken concerning the worker.

- viii. Notifying the appropriate Awarding Authority and the DAA in writing when a union, with whom the Contractor has a collective bargaining agreement, has failed to refer a minority, woman, or other worker.

- b. Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions, and layoffs are made in a non-discriminatory manner so as to achieve and maintain a diverse work force.

- c. Utilize training programs that assist minority, women, and other employees in locating, qualifying for and engaging in the training programs to enhance their skills and advancement.

- d. Secure cooperation or compliance from the labor referral agency to the Contractor's contractual Affirmative Action Program obligations.

- e. Establish a person at the management level of the Contractor to be the Equal Employment Practices officer. Such individual shall have the authority to disseminate and enforce the Contractor's Equal Employment and Affirmative Action Program policies.

- f. Maintain records as are necessary to determine compliance with Equal Employment Practices and Affirmative Action Program obligations and make the records available to City, State, and Federal authorities upon request.

- g. Establish written company policies, rules, and procedures which shall be encompassed in a company-wide Affirmative Action Program for all of its operations and Contracts. The policies shall be provided to all employees, Subcontractors, vendors, unions, and all others with whom the Contractor may become involved in fulfilling any of its Contracts.

- h. Document its good faith efforts to correct any deficiencies when problems are experienced by the Contractor in complying with its obligations pursuant to this article. The Contractor shall state:
 - i. What steps were taken, how, and on what date.
 - ii. To whom these efforts were directed.
 - iii. The responses received, from whom, and when.
 - iv. What other steps were taken, or will be taken, to comply and when.
 - v. Why the Contractor has been, or will be, unable to comply.

- i. Every contract of \$25,000 or more which may provide construction, demolition, renovation, conservation, or major maintenance of any kind shall also comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.

12. The Affirmative Action Program required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal, or pre-award conference which may be required by the Awarding Authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - a. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 - b. Classroom preparation for the job when not apprenticeable;
 - c. Pre-apprenticeship education and preparation;
 - d. Upgrading training and opportunities;
 - e. Encouraging the use of Contractors, Subcontractors, and suppliers of all racial and ethnic groups; provided, however, that any contract subject to this ordinance shall require the Contractor, Subcontractor, or supplier to provide not less than the prevailing wage, working conditions, and practices generally observed in private industries in the Contractor's, Subcontractor's, or supplier's geographical area for such work;
 - f. The entry of qualified women, minority, and all other journeymen to the industry; and,
 - g. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
13. Any adjustments which may be made in the Contractor's work force to achieve the requirements of the City's Affirmative Action Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement, or death and not by termination, layoff, demotion, or change in grade.
14. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board, or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by Contractors engaged in the performance of City Contracts.
15. All Contractors subject to the provisions of this article shall include a similar provision in all subcontracts awarded for work to be performed under the Contract with the City and shall impose the same obligations including, but not limited to, filing and reporting

obligations, on the Subcontractors as are applicable to the Contractor. Failure of the Contractor to comply with this requirement or to obtain the compliance of its Subcontractors with all such obligations shall subject the Contractor to the imposition of any and all sanctions allowed by law, including, but not limited to, termination of the Contractor's Contract with the City.

B. First Source Hiring Ordinance:

Unless otherwise exempt in accordance with the provisions of this Ordinance, this AGREEMENT is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 *et seq.* of the LAAC, as amended from time to time.

1. CONCESSIONAIRE shall, prior to the execution of this AGREEMENT, provide to the Designated Administrative Agency (DAA) a list of anticipated employment opportunities that CONCESSIONAIRE estimates it will need to fill in order to perform the services under this AGREEMENT. The Department of Public Works, Bureau of Contract Administration is the DAA.
2. CONCESSIONAIRE further pledges that it will, during the term of this AGREEMENT:
 - a. At least seven (7) business days prior to making an announcement of a specific employment opportunity, provide notification of that employment opportunity to the Economic and Workforce Development Department (EWDD), which will refer individuals for interview;
 - b. Interview qualified individuals referred by EWDD; and,
 - c. Prior to filling any employment opportunity, CONCESSIONAIRE shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who CONCESSIONAIRE interviewed, and the reasons why referred individuals were not hired.
3. Any subcontract entered into by CONCESSIONAIRE relating to this AGREEMENT, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.
4. CONCESSIONAIRE shall comply with all rules, regulations, and policies promulgated by the DAA, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the LAAC the DAA has determined that CONCESSIONAIRE intentionally violated or used hiring practices for the purpose of avoiding the article, the determination must be documented in the Awarding Authority's

Contractor Evaluation, required under LAAC Section 10.39 *et seq.*, and must be documented in each of CONCESSIONAIRE's subsequent Contractor Responsibility Questionnaires submitted under LAAC Section 10.40 *et seq.* This measure does not limit CITY's authority to act under this article.

Under the provisions of Section 10.44.8 of the LAAC, the Awarding Authority shall, under appropriate circumstances, terminate this AGREEMENT and otherwise pursue legal remedies that may be available if the DAA determines that the subject CONCESSIONAIRE has violated provisions of the FSHO.

SECTION 7 - RATIFICATION

At the request of CITY, and because of the need therefore, VENDOR began performance of the services required hereunder prior to the execution hereof. By its execution hereof, CITY hereby accepts such service subject to all the terms, covenants, and conditions of this AGREEMENT, and ratifies its AGREEMENT with VENDOR for such services.

SECTION 8 - INCORPORATION OF DOCUMENTS

This Agreement, appendices and incorporated documents represent the entire integrated agreement of the parties and supersedes all prior written or oral representations, discussions, and agreements. This Agreement may not be changed or modified in any manner except by formal, written amendment fully executed by both CITY and VENDOR. The following documents are incorporated and made a part hereof by reference:

- | | |
|-----------|---|
| Exhibit A | Statement of Work |
| Exhibit B | City of Los Angeles, California Request for Proposal (RFP) #XXXXXX dated XXXXXX for the purchase, installation and support of a Golf Management and Reservation System, |
| Exhibit C | Proposal submitted by XXCOMPANYNAMEXX in response to RFP #XXXXXX |
| Exhibit D | Standard Provisions for City Contracts. (Rev. 3/09) |
| Exhibit E | Required Insurance and Minimum Limits |
| Exhibit F | Instructions and Information on Complying with City Insurance Requirements |

The order of precedence in resolving conflicting language, if any, in the documents shall be: (1) This Agreement; (2) Exhibit B; and (3) Exhibit A.

Entire Contract. This Agreement and the attached schedules appendices, and exhibits: constitute the entire Agreement between CITY and VENDOR. No amendment or modification shall be made to this Agreement unless it is in writing and signed by both Parties.

IN WITNESS WHEREOF, THE CITY OF LOS ANGELES has caused this AGREEMENT to be executed on its behalf by its duly authorized General Manager of the Department of Recreation and Parks, and Vendor has executed the same as of the day and year herein below written.

THE CITY OF LOS ANGELES, a municipal corporation, acting by and through its Department of Recreation and Parks.

BY: _____ DATE: _____
MICHAEL A. SHULL
General Manager

CONCESSIONAIRE

BY: _____ DATE: _____
Title: _____

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

BY: _____ DATE: _____
MIKE DUNDAS
Deputy City Attorney

Business Tax Registration Certificate Number: _____

Internal Revenue Service Taxpayer Identification Number: _____

AGREEMENT Number: _____

Exhibit A Statement of Work (To be inserted based on proposal)

Exhibit B

City of Los Angeles, California Request for Proposal (RFP) #XXXXXX
dated XXXXXX for the purchase, installation and support of a Golf
Management and Reservation System (Final draft of RFP to be inserted)

Exhibit C

Proposal submitted by XXCOMPANYNAMEXX in response to RFP
#XXXXXX (To be inserted)

STANDARD PROVISIONS FOR CITY CONTRACTS

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STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. CONSTRUCTION OF PROVISIONS AND TITLES HEREIN

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the CITY or CONTRACTOR. The word "CONTRACTOR" herein in this Contract includes the party or parties identified in the Contract. The singular shall include the plural; if there is more than one CONTRACTOR herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. NUMBER OF ORIGINALS

The number of original texts of this Contract shall be equal to the number of the parties hereto, one text being retained by each party. At the CITY'S option, one or more additional original texts of this Contract may also be retained by the City.

PSC-3. APPLICABLE LAW, INTERPRETATION AND ENFORCEMENT

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the CITY, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. CONTRACTOR shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Contract.

In any action arising out of this Contract, CONTRACTOR consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any law of a federal, state or local government having jurisdiction over this Contract, the validity of the remaining parts, terms or provisions of the Contract shall not be affected thereby.

PSC-4. TIME OF EFFECTIVENESS

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR** hereto;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of the **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-5. INTEGRATED CONTRACT

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in paragraph PSC-6 hereof.

PSC-6. AMENDMENT

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-4.

PSC-7. EXCUSABLE DELAYS

In the event that performance on the part of any party hereto is delayed or suspended as a result of circumstances beyond the reasonable control and without the fault and negligence of said party, none of the parties shall incur any liability to the other parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the parties hereunder include, but are not limited to, acts of God or of the public enemy; insurrection; acts of the Federal Government or any unit of State or Local Government in either sovereign or contractual capacity; fires; floods; earthquakes; epidemics; quarantine restrictions; strikes; freight embargoes or delays in transportation, to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

PSC-8. BREACH

Except for excusable delays as described in PSC-7, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights

and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

PSC-9. WAIVER

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-10. TERMINATION

A. TERMINATION FOR CONVENIENCE

The CITY may terminate this Contract for the CITY'S convenience at any time by giving CONTRACTOR thirty days written notice thereof. Upon receipt of said notice, CONTRACTOR shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities. The CITY shall pay CONTRACTOR its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by CONTRACTOR to affect such termination. Thereafter, CONTRACTOR shall have no further claims against the CITY under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights thereto, shall become CITY property upon the date of such termination. CONTRACTOR agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

B. TERMINATION FOR BREACH OF CONTRACT

1. Except for excusable delays as provided in PSC-7, if CONTRACTOR fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, the CITY may give CONTRACTOR written notice of such default. If CONTRACTOR does not cure such default or provide a plan to cure such default which is acceptable to the CITY within the time permitted by the CITY, then the CITY may terminate this Contract due to CONTRACTOR'S breach of this Contract.
2. If a federal or state proceeding for relief of debtors is undertaken by or against CONTRACTOR, or if CONTRACTOR makes an assignment for the benefit of creditors, then the CITY may immediately terminate this Contract.
3. If CONTRACTOR engages in any dishonest conduct related to the performance or administration of this Contract or violates the

CITY'S lobbying policies, then the **CITY** may immediately terminate this Contract.

4. In the event the **CITY** terminates this Contract as provided in this section, the **CITY** may procure, upon such terms and in such manner as the **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to the **CITY** for all of its costs and damages, including, but not limited, any excess costs for such services.
5. All finished or unfinished documents and materials produced or procured under this Contract, including all intellectual property rights thereto, shall become **CITY** property upon date of such termination. **CONTRACTOR** agrees to execute any documents necessary for the **CITY** to perfect, memorialize, or record the **CITY'S** ownership of rights provided herein.
6. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-10(A) Termination for Convenience.
7. The rights and remedies of the **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

PSC-11. INDEPENDENT CONTRACTOR

CONTRACTOR is acting hereunder as an independent contractor and not as an agent or employee of the **CITY**. **CONTRACTOR** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the **CITY**.

PSC-12. CONTRACTOR'S PERSONNEL

Unless otherwise provided or approved by the **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. The **CITY** shall have the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** agrees to remove personnel from performing work under this Contract if requested to do so by the **CITY**.

CONTRACTOR shall not use subcontractors to assist in performance of this Contract without the prior written approval of the **CITY**. If the **CITY** permits the use of subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of

this Contract. The CITY has the right to approve CONTRACTOR'S subcontractors, and the CITY reserves the right to request replacement of subcontractors. The CITY does not have any obligation to pay CONTRACTOR'S subcontractors, and nothing herein creates any privity between the CITY and the subcontractors.

PSC-13. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

CONTRACTOR may not, unless it has first obtained the written permission of the CITY:

- A. Assign or otherwise alienate any of its rights under this Contract, including the right to payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties under this Contract.

PSC-14. PERMITS

CONTRACTOR and its directors, officers, partners, agents, employees, and subcontractors, to the extent allowed hereunder, shall obtain and maintain all licenses, permits, certifications and other documents necessary for CONTRACTOR'S performance hereunder and shall pay any fees required therefor. CONTRACTOR certifies to immediately notify the CITY of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

PSC-15. CLAIMS FOR LABOR AND MATERIALS

CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible or intangible matter produced by CONTRACTOR hereunder), against CONTRACTOR'S rights to payments hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

PSC-16. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

If applicable, CONTRACTOR represents that it has obtained and presently holds the Business Tax Registration Certificate(s) required by the CITY'S Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this Contract, CONTRACTOR shall maintain, or obtain as necessary, all such Certificates required of it under the Business Tax Ordinance, and shall not allow any such Certificate to be revoked or suspended.

PSC- 17. RETENTION OF RECORDS, AUDIT AND REPORTS

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form, in accordance with

requirements prescribed by the CITY. These records shall be retained for a period of no less than three years following final payment made by the CITY hereunder or the expiration date of this Contract, whichever occurs last. Said records shall be subject to examination and audit by authorized CITY personnel or by the CITY'S representative at any time during the term of this Contract or within the three years following final payment made by the CITY hereunder or the expiration date of this Contract, whichever occurs last. CONTRACTOR shall provide any reports requested by the CITY regarding performance of this Contract. Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

PSC-18. FALSE CLAIMS ACT

CONTRACTOR acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the CITY under the False Claims Act (Cal. Gov. Code §§ 12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to \$10,000 per false claim.

PSC-19. BONDS

All bonds which may be required hereunder shall conform to CITY requirements established by Charter, ordinance or policy, and shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Sections 11.47 through 11.56 of the Los Angeles Administrative Code.

PSC-20. INDEMNIFICATION

Except for the active negligence or willful misconduct of the CITY, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, CONTRACTOR undertakes and agrees to defend, indemnify and hold harmless the CITY and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including CONTRACTOR'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Contract by CONTRACTOR or its subcontractors of any tier. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of PSC-20 shall survive expiration or termination of this Contract.

PSC-21. INTELLECTUAL PROPERTY INDEMNIFICATION

CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the CITY, and any of its Boards, Officers, Agents, Employees, Assigns,

and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by CONTRACTOR, or its subcontractors of any tier, in performing the work under this Contract; or (2) as a result of the CITY'S actual or intended use of any Work Product furnished by CONTRACTOR, or its subcontractors of any tier, under the Agreement. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this Contract and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of PSC-21 shall survive expiration or termination of this Contract.

PSC-22. INTELLECTUAL PROPERTY WARRANTY

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, right of publicity and proprietary information.

PSC-23. OWNERSHIP AND LICENSE

Unless otherwise provided for herein, all Work Products originated and prepared by CONTRACTOR or its subcontractors of any tier under this Contract shall be and remain the exclusive property of the CITY for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this Contract including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. CONTRACTOR hereby assigns, and agrees to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by CONTRACTOR under this Contract. CONTRACTOR further agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

For all Work Products delivered to the CITY that are not originated or prepared by CONTRACTOR or its subcontractors of any tier under this Contract, CONTRACTOR hereby grants a non-exclusive perpetual license to use such Work Products for any CITY purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of the **CITY**.

Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract to contractually bind or otherwise oblige its subcontractors performing work under this Contract such that the **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-24. INSURANCE

During the term of this Contract and without limiting **CONTRACTOR'S** indemnification of the **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by **CONTRACTOR**, but not less than the amounts and types listed on the Required Insurance and Minimum Limits sheet (Form General 146 in Exhibit 1 hereto), covering its operations hereunder. Such insurance shall conform to **CITY** requirements established by Charter, ordinance or policy, shall comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto) and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-25. DISCOUNT TERMS

CONTRACTOR agrees to offer the **CITY** any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discount to payments made under this Contract which meet the discount terms.

PSC-26. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-27. NON-DISCRIMINATION

Unless otherwise exempt, this Contract is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the **CITY**. In performing this Contract, **CONTRACTOR** shall not

discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract.

Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of **CONTRACTOR'S** contract with the **CITY**.

PSC-28. EQUAL EMPLOYMENT PRACTICES

Unless otherwise exempt, this Contract is subject to the equal employment practices provisions in Section 10.8.3 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of this Contract, **CONTRACTOR** agrees and represents that it will provide equal employment practices and **CONTRACTOR** and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, **CONTRACTOR** shall certify in the specified format that he or she has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of

race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of **CITY** contracts. On their or either of their request **CONTRACTOR** shall provide evidence that he or she has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of **CITY** contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has failed to comply with the Equal Employment Practices provisions of a **CITY** contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until **CONTRACTOR** shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this Contract, the **CITY** shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the **CITY**, or when an individual bid or proposal is submitted, **CONTRACTOR** shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of **CITY** Contracts.

- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 - 3. Training and promotional opportunities; and
 - 4. Reasonable accommodations for persons with disabilities.

- L. Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject **CONTRACTOR** to the imposition of any and all sanctions allowed by law, including but not limited to termination of the **CONTRACTOR'S** Contract with the **CITY**.

PSC-29. AFFIRMATIVE ACTION PROGRAM

Unless otherwise exempt, this Contract is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a **CITY** contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. **CONTRACTOR** shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

- B. **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to

their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the **CITY'S** supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, **CONTRACTOR** shall certify on an electronic or hard copy form to be supplied, that **CONTRACTOR** has not discriminated in the performance of **CITY** contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. **CONTRACTOR** shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of **CITY** contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any **CONTRACTOR** to comply with the Affirmative Action Program provisions of **CITY** contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to **CONTRACTOR**.
- F. Upon a finding duly made that **CONTRACTOR** has breached the Affirmative Action Program provisions of a **CITY** contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the **CITY**. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said **CONTRACTOR** is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such **CONTRACTOR** shall be disqualified from being awarded a contract with the **CITY** for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that **CONTRACTOR** has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a **CITY** contract, there may be deducted from the amount payable to **CONTRACTOR** by the **CITY** under the contract, a penalty of ten dollars

(\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a CITY contract.

- H. Notwithstanding any other provisions of a CITY contract, the CITY shall have any and all other remedies at law or in equity for any breach hereof.
- I. Intentionally blank.
- J. Nothing contained in CITY contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. **CONTRACTOR** shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the CITY. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, **CONTRACTOR** may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, **CONTRACTOR** must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
 - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 - 2. **CONTRACTOR** may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the CITY with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and **CONTRACTOR**.

- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation;
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
 6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the CITY'S Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the CITY and may be used at the discretion of the CITY in its Contract Compliance Affirmative Action Program.
- P. Intentionally blank.

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the **CITY** and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the **CITY**.

PSC-30. CHILD SUPPORT ASSIGNMENT ORDERS

This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, **CONTRACTOR** will fully comply with all applicable State and Federal employment reporting requirements for **CONTRACTOR'S** employees. **CONTRACTOR** shall also certify (1) that the Principal Owner(s) of **CONTRACTOR** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that **CONTRACTOR** will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that **CONTRACTOR** will maintain such compliance throughout the term of this Contract.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract, subjecting this Contract to termination if such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

Any subcontract entered into by **CONTRACTOR**, to the extent allowed hereunder, shall include a like provision for work to be performed under this Contract. Failure of **CONTRACTOR** to obtain compliance of its subcontractors shall constitute a default by **CONTRACTOR** under this Contract, subjecting this Contract to termination where such default shall continue for more than ninety (90) days after notice of such default to **CONTRACTOR** by the **CITY**.

CONTRACTOR certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

PSC-31. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

- A. Unless otherwise exempt, this Contract is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:
1. **CONTRACTOR** assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of compensated and uncompensated days off and health benefits, as defined in the LWO.
 2. **CONTRACTOR** further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. **CONTRACTOR** shall require each of its subcontractors within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. **CONTRACTOR** shall deliver the executed pledges from each such subcontractor to the **CITY** within ninety (90) days of the execution of the subcontract. **CONTRACTOR'S** delivery of executed pledges from each such subcontractor shall fully discharge the obligation of **CONTRACTOR** with respect to such pledges and fully discharge the obligation of **CONTRACTOR** to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
 3. **CONTRACTOR**, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the **CITY** with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. **CONTRACTOR** shall post the Notice of Prohibition Against Retaliation provided by the **CITY**.
 4. Any subcontract entered into by **CONTRACTOR** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of PSC-31 and shall incorporate the provisions of the LWO and the SCWRO.

5. **CONTRACTOR** shall comply with all rules, regulations and policies promulgated by the **CITY'S** Designated Administrative Agency which may be amended from time to time.
- B. Under the provisions of Sections 10.36.3(c) and 10.37.6(c) of the Los Angeles Administrative Code, the **CITY** shall have the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if the **CITY** determines that the subject **CONTRACTOR** has violated provisions of either the LWO or the SCWRO, or both.
- C. Where under the LWO Section 10.37.6(d), the **CITY'S** Designated Administrative Agency has determined (a) that **CONTRACTOR** is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the **CITY** in such circumstances may impound monies otherwise due **CONTRACTOR** in accordance with the following procedures. Impoundment shall mean that from monies due **CONTRACTOR**, **CITY** may deduct the amount determined to be due and owing by **CONTRACTOR** to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures described therein through final and binding arbitration. Whether **CONTRACTOR** is to continue work following an impoundment shall remain in the sole discretion of the **CITY**. **CONTRACTOR** may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.
- D. **CONTRACTOR** shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). **CONTRACTOR** shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from **CONTRACTOR**.

PSC- 32. AMERICANS WITH DISABILITIES ACT

CONTRACTOR hereby certifies that it will comply with the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*, and its implementing regulations. **CONTRACTOR** will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. **CONTRACTOR** will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by **CONTRACTOR**, relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

PSC-33. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires **CONTRACTOR** to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect **CONTRACTOR'S** fitness and ability to continue performing this Contract.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this Contract, **CONTRACTOR** pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this Contract, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. **CONTRACTOR** further agrees to: (1) notify the **CITY** within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that **CONTRACTOR** is not in compliance with all applicable federal, state and local laws in performance of this Contract; (2) notify the **CITY** within thirty calendar days of all findings by a government agency or court of competent jurisdiction that **CONTRACTOR** has violated the provisions of Section 10.40.3(a) of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the **CITY**; and (4) unless exempt, ensure that its subcontractor(s), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the **CITY** within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a) of the Contractor Responsibility Ordinance in performance of the subcontract.

PSC-34. MINORITY, WOMEN, AND OTHER BUSINESS ENTERPRISE OUTREACH PROGRAM

CONTRACTOR agrees and obligates itself to utilize the services of Minority, Women and Other Business Enterprise firms on a level so designated in its proposal, if any. **CONTRACTOR** certifies that it has complied with Mayoral Directive 2001-26 regarding the Outreach Program for Personal Services Contracts Greater than \$100,000, if applicable. **CONTRACTOR** shall not change any of these designated subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of the **CITY**, provided that such approval shall not be unreasonably withheld.

PSC-35. EQUAL BENEFITS ORDINANCE

Unless otherwise exempt, this Contract is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the Contract, **CONTRACTOR** certifies and represents that **CONTRACTOR** will comply with the EBO.
- B. The failure of **CONTRACTOR** to comply with the EBO will be deemed to be a material breach of this Contract by the **CITY**.
- C. If **CONTRACTOR** fails to comply with the EBO the **CITY** may cancel, terminate or suspend this Contract, in whole or in part, and all monies due or to become due under this Contract may be retained by the **CITY**. The **CITY** may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.
- E. If the **CITY'S** Designated Administrative Agency determines that a **CONTRACTOR** has set up or used its contracting entity for the purpose of evading the intent of the EBO, the **CITY** may terminate the Contract. Violation of this provision may be used as evidence against **CONTRACTOR** in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 *et seq.*, Contractor Responsibility Ordinance.

CONTRACTOR shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-1922."

PSC 36. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt, this Contract is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as amended from time to time. **CONTRACTOR** certifies that it has complied with the applicable provisions of the Slavery Disclosure Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this Contract.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

1. Additional Insured/Loss Payee. The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.

2. Notice of Cancellation. All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.

3. Primary Coverage. CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.

4. Modification of Coverage. The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.

5. Failure to Procure Insurance. All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

6. Workers' Compensation. By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-4, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

Exhibit 1 (Continued) Required Insurance and Minimum Limits

Name: _____ Date: _____

Agreement/Reference: _____
 Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amount shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

	<u>Limits</u>
_____ Workers' Compensation – Workers' Compensation (WC) and Employer's Liability (EL)	WC _____ EL _____
<input type="checkbox"/> Waiver of Subrogation in favor of City <input type="checkbox"/> Longshore & Harbor Workers <input type="checkbox"/> Jones Act	
_____ General Liability	
<input type="checkbox"/> Products/Completed Operations <input type="checkbox"/> Sexual Misconduct _____ <input type="checkbox"/> Fire Legal Liability _____ <input type="checkbox"/> _____	
_____ Automobile Liability (for any and all vehicles used for this Contract, other than commuting to/from work)	
_____ Professional Liability (Errors and Omissions)	
_____ Property Insurance (to cover replacement cost of building – as determined by insurance company)	
<input type="checkbox"/> All Risk Coverage <input type="checkbox"/> Boiler and Machinery <input type="checkbox"/> Flood _____ <input type="checkbox"/> Builder's Risk <input type="checkbox"/> Earthquake _____ <input type="checkbox"/> _____	
_____ Pollution Liability	
<input type="checkbox"/> _____	
_____ Surety Bonds – Performance and Payment (Labor and Materials) Bonds	100 % of Contract Price
_____ Crime Insurance	_____

Other: _____

Exhibit E

Form Gen. 146 (Rev. 3/09)

Required Insurance and Minimum Limits

Name: RFP - Golf Management and Reservation System

Date: 01/06/2017

Agreement/Reference: Acquisition and Implementation of a Golf Management and Reservation System

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)

WC Statutory

EL \$1,000,000

Waiver of Subrogation in favor of City

Longshore & Harbor Workers

Jones Act

General Liability

\$1,000,000

Products/Completed Operations

Sexual Misconduct

Fire Legal Liability

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)

\$1,000,000

Professional Liability (Errors and Omissions)

\$5,000,000

Discovery Period See Note #3

Property Insurance (to cover replacement cost of building - as determined by insurance company)

All Risk Coverage

Boiler and Machinery

Flood

Builder's Risk

Earthquake

Pollution Liability

Surety Bonds - Performance and Payment (Labor and Materials) Bonds

100% of the contract price

Crime Insurance

Other: 1) If a contractor has no employees and decides to not cover herself / himself for worker's compensation, please complete the form entitled "Release for Waiver of Workers' Compensation Insurance Requirement" located at http://cao.lacity.org/risk/InsuranceForms.htm

2) In the absence of imposed auto liability requirement, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California.

3) Professional Liability Insurance to include: Tech Errors & Omissions, Cyber Privacy and Data Breach.

CITY OF LOS ANGELES

INSTRUCTIONS AND INFORMATION
ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

(Share this information with your insurance agent or broker)

1. **Agreement/Reference** All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

2. **When to submit** Normally, no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

3. **Acceptable Evidence and Approval** Electronic submission is the best method of submitting your documents. **Track4LA**[®] is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format – the CITY is a licensed redistributor of ACORD forms. Track4LA[®] advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA**[®] at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 that have been approved by the State of California may be accepted, however **submissions other than through Track4LA[®] will significantly delay the insurance approval process as documents will have to be manually processed.** All Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter. Completed **Insurance Industry Certificates other than ACORD 25 Certificates** are sent electronically to CAO.insurance.bonds@lacity.org.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

Verification of approved insurance and bonds may be obtained by checking **Track4LA**[®], the CITY's online insurance compliance system, at <http://track4la.lacity.org>.

4. **Renewal** When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate or edit the existing Acord 25 Certificate through **Track4LA**[®] at <http://track4la.lacity.org>.

5. **Alternative Programs/Self-Insurance** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at (www.2sparta.com), or by calling (800) 420-0555.

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

8. **Errors and Omissions** coverage will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/InsuranceForms.htm>). **A Waiver of Subrogation** on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty coverages** may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information.



CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS

COMPLIANCE DOCUMENTS – REQUEST FOR PROPOSALS

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- R. Los Angeles Residence Information
- S. Living Wage Ordinance (LWO) / Service Contractor Worker Retention Ordinance (SCWRO) – Additional Forms
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CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS

SECTION I

Compliance Documents to be Submitted with Proposals

PROPOSER'S SIGNATURE DECLARATION AND AFFIDAVIT

SECTION A**PROPOSER'S SIGNATURE DECLARATION AND AFFIDAVIT**

With each proposal, a statement shall be submitted and signed by the respondent under penalty of perjury that: The response is genuine, not a sham or collusive, the response is not made in the interest or on behalf of any person not named therein; the respondent has not directly or indirectly induced or solicited any person to submit a false or sham response or to refrain from responding; and, the respondent has not in any manner sought by collusion to secure an advantage over any other respondent.

INSTRUCTIONS:

- a. Sign and Notarize the Document
- b. Submit with the Bid/Proposal

Signatures:

Individual: (e.g., Individual dba [Name or Company], etc) – Individual must sign affidavit.

Partnership: At least ONE General Partner must sign the affidavit.

Corporation: It is preferred that the **PRESIDENT** and **SECRETARY** of the corporation sign the affidavit on behalf of the corporation, but a **VICE-PRESIDENT** may sign in the absence of the President and an Assistant Secretary or Treasurer may sign in the absence of the Secretary.

Note: An Authorized Agent may sign for a Corporation, provided the City is furnished a certified copy of the Board of Directors Resolution authorizing such person to execute the document on behalf of the corporation. An acknowledgement at the base of the Resolution must state that it is unchanged, in force, and must be signed by the Corporate Secretary with the current date.

AFFIDAVIT TO ACCOMPANY PROPOSALS

I/We, _____

being first duly sworn, deposes and states: That the undersigned

_____ (Insert "Sole Owner", "General Partner", "President", "Secretary", or other proper title)

is of _____ (Name of firm / business entity)

Who submits herewith to City of Los Angeles the attached proposal:

Affiant deposes and states: That said proposal is genuine; that the same is not sham or collusive; that all statements of fact therein are true; that such proposal was not made in the interest or behalf of any person, partnership, company, association, organization or corporation not therein named or disclosed.

Affiant deposes and states: That the proposer has not directly or indirectly by agreement, communication or conference with anyone attempted to induce action prejudicial to the interests of the public body which is to award the contract, or of any other proposer, or anyone else interested in the proposed contract: that the proposer has not in any manner sought by collusion to secure for itself an advantage over any other proposer.

Affiant further deposes and states that prior to the public opening and reading of proposals the said proposer:

- (a) Did not, directly or indirectly, induce or solicit anyone else to submit a false or sham proposal;
- (b) Did not, directly or indirectly, collude, conspire, connive or agree with anyone else that said proposer or anyone else or fix the proposal price of said proposer or of anyone else, or to raise or fix any overhead, profit or cost element of its price or of that of anyone else;
- (c) Did not, directly or indirectly, submit its proposal price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, or to any individual or group of individuals, except to the awarding authority or to any person or persons who have a partnership or other financial interest with said proposer in its business.

I understand and agree that any falsification in the affidavit will be grounds for rejection of this proposal or cancellation of any concession contract awarded pursuant to this proposal.

I hereby certify or declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

STATE OF CALIFORNIA
COUNTY OF _____

Subscribed and sworn to before me this _____ day of _____ (Signature)

_____ (Month / Year) _____ (Title)

_____ (Notary Public) _____ (Date)

PROPOSALS WILL NOT BE CONSIDERED UNLESS THE AFFIDAVIT HEREON IS FULLY EXECUTED, INCLUDING THE CERTIFICATE OF THE NOTARY AND THE NOTARIAL SEAL

DISPOSITION OF PROPOSALS

SECTION B
DISPOSITION OF PROPOSALS

All proposals submitted in response to the RFP shall become the property of the City of Los Angeles and a matter of public record. Proposers must identify all copyrighted material, trade secrets, or other proprietary information that they claim are exempt from disclosure under the Public Records Act, and indemnify and defend the City of Los Angeles for its refusal to disclose such material from person making a request therefore.

INSTRUCTIONS:

- a. Sign the Document
- b. Submit with the Bid/Proposal

Signatures:

The person signing must be authorized to bind the proposer.

Disposition of Proposals

All proposals submitted in response to the RFP shall become the property of the City of Los Angeles and a matter of public record. Proposers must identify all copyrighted materials, trade secrets, or other proprietary information that they claim are exempt from disclosure under the Public Records Act (California Code, Section 6250 *et seq.*)

In the event such an exemption is claimed, the proposer must state in the proposal that the proposer will defend any action brought against the City for its refusal to disclose such material, trade secret, or other proprietary information to any party making such a request. The proposer is required to state in the proposal that:

“The proposer will indemnify the City or Agency and hold it harmless from any claim or liability and defend any action brought against the City of Los Angeles for its refusal to disclose copyrighted material, trade secrets, or other proprietary information to any persons making a request therefore.”

Proposer’s obligations herein include, but are not limited to, all attorney’s fees (both in house and outside counsel), costs of litigation incurred by the City or its attorneys (including all actual costs incurred by the City, not merely those costs recoverable by a prevailing party, and specifically including costs of experts and consultants) as well as all damages or liability of any nature whatsoever arising out of any such suits, claims, and causes of action brought against the City, through and including any appellate proceedings. Proposer’s obligations to the City under this indemnification provision shall be due and payable on a monthly, on-going basis within thirty (30) days after each submission to Proposer of the City’s invoices for all fees and costs incurred by the City, as well as all damages or liability of any nature.

“I have read and understand the Disposition of Proposals and agree that the City of Los Angeles may release any materials and information contained in the proposal submitted by the undersigned’s firm in the event that the required hold harmless statement is not included in the Proposal.”

Signature of person authorized to bind proposer

Date

**NONDISCRIMINATION, EQUAL EMPLOYMENT PRACTICES,
AND AFFIRMATIVE ACTION PROGRAM**

SECTION C**NONDISCRIMINATION, EQUAL EMPLOYMENT PRACTICES, AND AFFIRMATIVE ACTION PROGRAM**

Proposers are advised that any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2., Non-discrimination Clause.

All contracts for which the consideration is \$1,000 or more shall comply with the provisions of Los Angeles Administrative Code Sections 10.8.3., Equal Employment Practices Provisions. By affixing its signature on a contract that is subject to the Equal Employment Practices Provisions, the Contractor shall agree to adhere to the provisions in the Equal Employment Practices Provisions for the duration of the contract.

All contracts for which the consideration is \$25,000 or more shall comply with the provisions of Los Angeles Administrative Code Sections 10.8.4., Affirmative Action Program Provisions. By affixing its signature on a contract that is subject to the Affirmative Action Program Provisions, the Contractor shall agree to adhere to the provisions in the Affirmative Action Program Provisions for the duration of the contract.

Furthermore, contractors shall include similar provisions in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations. The contract with the subcontractor that contends similar language shall be made available to the Office of Contract Compliance upon request.

The City no longer requires separate affidavits to confirm compliance with any of these programs. Contractors agree to adhere to the abovementioned programs by affixing its signature on a contract resulting from this RFP process.

Proposers seeking additional information regarding the requirements of the City's Non-Discrimination Clause, Equal Employment Practices and Affirmative Action Program may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

INSTRUCTIONS:

No action required. By affixing a signature to a contract that results from this RFP process, the contractor agrees to adhere to these programs.

CONTRACTOR RESPONSIBILITY ORDINANCE STATEMENT

SECTION D

CONTRACTOR RESPONSIBILITY ORDINANCE STATEMENT

The Contractor Responsibility Ordinance (CRO) requires a determination, via the CRO questionnaire, that prospective contractors are responsible and capable of fully performing the work before a contract is awarded by the City of Los Angeles. Additional information may be found at the following website:

bca.lacity.org

INSTRUCTIONS:

- a. The questionnaire must be completed, appropriately signed, and submitted with the proposal (Pages 1 through 9).

CITY OF LOS ANGELES CONTRACTOR RESPONSIBILITY ORDINANCE (Los Angeles Administrative Code Section 10.40 et seq.)

1. What is the Contractor Responsibility Ordinance?

The Contractor Responsibility Ordinance (CRO) requires that each department make a determination as to whether prospective contractors are responsible and capable of fully performing the work before being awarded a City contract. The Ordinance also requires prospective contractors to complete a Responsibility Questionnaire that will be posted on the internet for 14 calendar days for public review.

2. When was the Ordinance adopted?

The City Council adopted the CRO on November 21, 2000. Regulations implementing the Ordinance were adopted on June 19, 2001.

3. Who is responsible for the administration and enforcement of the Ordinance?

Three departments were named as administrative agencies responsible for the administration of the CRO. Each Designated Administrative Agency (DAA) administers the Ordinance for a specific type of agreement. The three DAA's, the type of agreement each DAA is responsible for, and contact information for each DAA is provided in the table below.

Administrative Agency	Agreement Type	Contact Information
Public Works, BCA	Service	Russ Strazella (213) 580-5012
Public Works, BCA	Construction	Russ Struzella (213) 580-5012
General Services	Procurement	Raymond Richards (213) 485-4591

4. Are all service, procurement, and construction agreements subject to the CRO?

Generally, an agreement, including one processed as an Authorization for Expenditure (AFE) with a Letter of Agreement, is covered by the CRO if it meets one of the definitions below.

Service agreements: Agreements covered under the general category of a "service agreement" include:

- An agreement for \$25,000.00 or more and for at least three months in which a contractor will provide services to or for the City.
- An agreement for a lease or license of City property if the service to be performed on the property is something that City employees could perform.
- An agreement for the lease or license of City property that is in a location where a substantial number of the general public might visit.
- An agreement for the grant of City financial assistance for \$100,000 or more if the agreement is for the purpose of economic development or job growth. City financial

assistance may also include loans if certain conditions are met. (Refer to Sec. 10.40.0(b) of the CRO.)

Purchase agreements: Purchase agreements are covered if they are for \$100,000 or more. Agreements to purchase garments are covered if they are for \$25,000 or more.

Construction agreements: All construction agreements are covered, regardless of amount or term.

5. When did the Ordinance become applicable?

The Ordinance is being applied to Invitations for Bids (IFB) (including Requests for Proposals, Requests for Qualifications, “sole-sourced” contracts, and any other procurement process) released to the public **on or after September 4, 2001**. An agreement entered into as a result of an IFB released prior to that date is not subject to the CRO unless it is amended after September 4, 2001, and the amended agreement meets the definitions stated in the answer to Question #4 above.

6. If an IFB is subject to the CRO, what must a department do?

The department must inform prospective bidders/proposers that the CRO is applicable to the IFB. The department must also include the appropriate Responsibility Questionnaire for bidders/proposers to fill out. Depending on the type of contract to be awarded, one of three Questionnaires may be included in the IFB: Service; Procurement; and Construction.

7. What is a Responsibility Questionnaire?

The Responsibility Questionnaire asks for information about the bidder/proposer: business organization or structure; financial resources and responsibility; performance history; prior disputes; and history in complying with laws. Before a department awards a contract, the department will consider information contained in the Questionnaire as part of the review of a bidder/proposer’s responsibility, as well as any information contained in the Office of Contract Compliance’s Contractor Evaluation database [<http://caodocs.ci.la.ca.us/ContEval/>] regarding the proposer’s prior performance on City contracts.

8. What must a bidder/proposer do when responding to an IFB?

If the IFB is subject to the CRO, the bidder/proposer must complete the Responsibility Questionnaire and return it to the City department with the bid/proposal. If a bidder/proposer does not submit a completed Questionnaire with the bid/proposal, the City department may consider the bidder/proposer to be non-responsive to the IFB and may disqualify the bidder/proposer from the rest of the IFB process.

9. Is a separate Questionnaire required for each IFB?

Unless the IFB is exempt, a separate Questionnaire must be submitted for each IFB to which a bidder/proposer responds.

10. What will the City do with the Questionnaire?

The department responsible for awarding the agreement will review the information contained in the submitted questionnaires, and if necessary, follow up with the bidder/proposer to clarify any information contained in the Questionnaire. The awarding authority will send the completed Questionnaires to the appropriate DAA. The DAA will post the Questionnaires on the City's Bidder/Contractor Responsibility website: www.lacity.org/bidresp. This posting also applies to "sole-sourced" contracts, so the completed Questionnaire from a proposed "sole-sourced" contractor must be forwarded to the appropriate DAA for posting.

11. How long will the Questionnaires be posted?

The Questionnaires will be posted on the internet for 14 calendar days. Unless an exemption applies, a department cannot award an agreement until the posting requirement has been met.

12. What happens during the 14 calendar-day posting period?

The general public will be able to review the Questionnaires posted. If, during the 14 calendar-day posting period, the DAA receives information that calls into question a bidder/proposer's responsibility, the DAA will investigate the matter. In that case, no agreement may be awarded until the DAA finishes its investigation. Information obtained during the investigation will be provided to the department to consider in its determination of a bidder/proposer's responsibility.

13. How does a department know that the posting requirement has been met?

The awarding department should complete the top portion of the Posting Verification Form and forward it to the DAA along with the Questionnaires. The DAA will complete the bottom portion of the Posting Verification Form and return it to the department when the posting requirement has been met.

14. Are contract amendments subject to the CRO?

If an agreement is amended after September 4, 2001, and the amended agreement meets the definitions stated in the answer to Question #4 above, it is subject to the CRO. Contractors do not have to submit a Questionnaire; however, the CRO Contract Language must be incorporated into the amended agreement.

15. After the agreement is awarded, or the agreement is amended, what does the CRO require the contractor to do?

The CRO requires a contractor to:

- Comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.

- Notify the awarding authority within 30 calendar days after receiving notice that any governmental agency has started an investigation into violations of, or has found that the contractor has violated, any federal, state, or local law in the performance of the contract..
- When applicable, provide the awarding authority, within 30 calendar days, updated responses to the Questionnaire if a change occurs that would affect the contractor's responsibility and ability to continue the agreement.
- Ensure that subcontractors working on the City agreement comply with all federal, state, and local laws in the performance of the agreement.
- Ensure that subcontractors working on the City agreement submit a Pledge of Compliance to comply with the CRO.

16. What happens if a contractor is found to be in violation of the Ordinance?

The DAA will notify the contractor that a violation has been found and give the contractor 10 calendar days to correct the violation. If the contractor fails to do so, the City may terminate the agreement and pursue all available contractual remedies. The City may also hold a non-responsibility hearing and debar the contractor from doing business with the City for five (5) years.

17. What about subcontractors?

Subcontractors are subject to the CRO, and the contractor must ensure that each of its subcontractors complies with the CRO. Subcontractors do not need to complete a Questionnaire, but they must submit to the awarding department a Pledge of Compliance with the Ordinance before they can start work on a City agreement.

18. What if a subcontractor is found to be in violation of the Ordinance?

Because the prime contractor is responsible for ensuring that all its subcontractors comply with the CRO, the sanctions listed in the answer to Question #16 may be applied to the prime contractor if the subcontractor does not correct the violation(s).

19. Are there any exemptions under the Ordinance?

Generally, two categories of exemptions exist under the CRO:

(1) Agreements exempt from all the CRO requirements:

- Contracts with a governmental entity such as the United States of America, the State of California, a county, city or public agency of such entities, or a public or quasi-public corporation located therein and declared by law to have such status.
- Contracts for the investment of trust moneys or agreements relating to the management of trust assets.
- Banking contracts entered into by the Treasurer pursuant to California Government Code Section 53630 et seq.

(2) Agreements that are only exempt from the requirement that a bidder/proposer submit a Questionnaire. The contractor must still comply with all other CRO provisions.

- Agreements awarded on the basis of emergency circumstances when the awarding authority finds that the City would suffer a financial loss or that City operations would be adversely impacted. This exemption is subject to approval by the DAA.
- Agreements for goods or services that are proprietary or available from only one source. This exemption is subject to approval by the DAA.
- Agreements awarded under the authority of Charter Sections 371(e)(5), (6), (7) or (8). The awarding authority must certify in writing that the contract is entered into in compliance with the requirements of those Charter sections.

20. Where can I obtain a copy of the Contractor Responsibility Ordinance and the Rules and Regulations?

All CRO-related information and documents can be found on the CRO website:
<http://www.lacity.org/bidresp>.

**CITY OF LOS ANGELES
RESPONSIBILITY QUESTIONNAIRE**

RESPONSES TO THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE MUST BE SUBMITTED ON THIS FORM. In responding to the Questionnaire, neither the City form, nor any of the questions contained therein, may be retyped, recreated, modified, altered, or changed in any way, in whole or in part. Bidders or Proposers that submit responses on a form that has been retyped, recreated, modified, altered, or changed in any way shall be deemed non-responsive.

The signatory of this Questionnaire guarantees the truth and accuracy of all statements and answers to the questions herein. Failure to complete and return this questionnaire, any false statements, or failure to answer (a) question(s) when required, may render the bid/proposal non-responsive. All responses must be typewritten or printed in ink. Where an explanation is required or where additional space is needed to explain an answer, use the Responsibility Questionnaire Attachments. Submit the completed form and all attachments to the awarding authority. Retain a copy of this completed form for future reference. Contractors must submit updated information to the awarding authority if changes have occurred that would render any of the responses inaccurate in any way. Updates must be submitted to the awarding authority within 30 days of the change(s).

A. CONTACT INFORMATION

CITY DEPARTMENT INFORMATION

City Department/Division Awarding Contract	City Contact Person	Phone
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City Bid or Contract Number (if applicable) and Project Title

BIDDER/CONTRACTOR INFORMATION

Bidder/Proposer Business Name

Street Address	City	State	Zip
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Contact Person, Title	Phone	Fax
-----------------------	-------	-----

TYPE OF SUBMISSION:

The Questionnaire being submitted is:

- An initial submission of a completed Questionnaire.
- An update of a prior Questionnaire dated ____/____/____.
- No change. I certify under penalty of perjury under the laws of the State of California that there has been no change to any of the responses since the last Responsibility Questionnaire dated ____/____/____ was submitted by the firm. Attach a copy of that Questionnaire and sign below.

Print Name, Title	Signature	Date
-------------------	-----------	------

TOTAL NUMBER OF PAGES SUBMITTED, INCLUDING ALL ATTACHMENTS: _____

B. BUSINESS ORGANIZATION/STRUCTURE

Indicate the organizational structure of your firm. "Firm" includes a sole proprietorship, corporation, joint venture, consortium, association, or any combination thereof.

Corporation: Date incorporated: ____/____/____ State of incorporation: _____

List the corporation's current officers.

President: _____

Vice President: _____

Secretary: _____

Treasurer: _____

Check the box only if your firm is a publicly traded corporation.

List those who own 5% or more of the corporation's stocks. Use Attachment A if more space is needed. Publicly traded corporations need not list the owners of 5% or more of the corporation's stocks.

Limited Liability Company: Date of formation: ____/____/____ State of formation: _____

List members who own 5% or more of the company. Use Attachment A if more space is needed.

Partnership: Date formed: ____/____/____ State of formation: _____

List all partners in your firm. Use Attachment A if more space is needed.

Sole Proprietorship: Date started: ____/____/____

List any firm(s) that you have been associated with as an owner, partner, or officer for the last five years. Use Attachment A if more space is needed. Do not include ownership of stock in a publicly traded company in your response to this question.

Joint Venture: Date formed: ____/____/____

List: (1) each firm that is a member of the joint venture and (2) the percentage of ownership the firm will have in the joint venture. Use Attachment A if more space is needed. **Each member of the Joint Venture must complete a separate Questionnaire for the Joint Venture's submission to be considered as responsive to the invitation.**

C. OWNERSHIP AND NAME CHANGES

1. Is your firm a subsidiary, parent, holding company, or affiliate of another firm?

Yes No

If **Yes**, explain on Attachment A the relationship between your firm and the associated firms. Include information about an affiliated firm only if one firm owns 50% or more of another firm, or if an owner, partner or officer of your firm holds a similar position in another firm.

2. Has any of the firm's owners, partners, or officers operated a similar business in the past five years?

Yes No

If **Yes**, list on Attachment A the names and addresses of all such businesses, and the person who operated the business. Include information about a similar business only if an owner, partner or officer of your firm holds a similar position in another firm.

3. Has the firm changed names in the past five years?

Yes No

If **Yes**, list on Attachment A all prior names, addresses, and the dates they were used. Explain the reason for each name change in the last five years.

4. Are any of your firm's licenses held in the name of a corporation or partnership?

Yes No

If Yes, list on Attachment A the name of the corporation or partnership that actually holds the license.

Bidders/Contractors must continue on to Section D and answer all remaining questions contained in this Questionnaire.

The responses in this Questionnaire will not be made available to the public for review. This is not a public document. [CPCC §20101(a)]

D. FINANCIAL RESOURCES AND RESPONSIBILITY

5. Is your firm now, or has it ever been at any time in the last five years, the debtor in a bankruptcy case?
 Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

6. Is your company in the process of, or in negotiations toward, being sold?
 Yes No

If **Yes**, explain the circumstances on Attachment B.

E. PERFORMANCE HISTORY

7. How many years has your firm been in business? _____ Years.

8. Has your firm ever held any contracts with the City of Los Angeles or any of its departments?
 Yes No

If, **Yes**, list on an Attachment B all contracts your firm has had with the City of Los Angeles for the last 10 years. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.

9. List on Attachment B all contracts your firm has had with any private or governmental entity (other than the City of Los Angeles) over the last five years that are similar to the work to be performed on the contract for which you are bidding or proposing. For each contract listed in response to this question, include: (a) entity name; (b) purpose of contract; (c) total cost; (d) starting date; and (e) ending date.
 Check the box if you have not had any similar contracts in the last five years

10. In the past five years, has a governmental or private entity or individual terminated your firm's contract prior to completion of the contract?
 Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

11. In the past five years, has your firm used any subcontractor to perform work on a government contract when you knew that the subcontractor had been debarred by a governmental entity?
 Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

12. In the past five years, has your firm been debarred or determined to be a non-responsible bidder or contractor?
 Yes No

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

F. DISPUTES

13. In the past five years, has your firm been the defendant in court on a matter related to any of the following issues? For parts (a) and (b) below, check **Yes** even if the matter proceeded to arbitration without court litigation. For part (c), check **Yes** only if the matter proceeded to court litigation. If you answer **Yes** to any of the questions below, explain the circumstances surrounding each instance on Attachment B. You must include the following in your response: the name of the plaintiffs in each court case, the specific causes of action in each case; the date each case was filed; and the disposition/current status of each case.

(a) Payment to subcontractors?

Yes **No**

(b) Work performance on a contract?

Yes **No**

(c) Employment-related litigation brought by an employee?

Yes **No**

14. Does your firm have any outstanding judgements pending against it?

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

15. In the past five years, has your firm been assessed liquidated damages on a contract?

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance and identify all such projects, the amount assessed and paid, and the name and address of the project owner.

G. COMPLIANCE

16. In the past five years, has your firm or any of its owners, partners or officers, ever been investigated, cited, assessed any penalties, or been found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed on Attachment C (Page 9)? For this question, the term "owner" does not include owners of stock in your firm if your firm is a publicly traded corporation.

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance, including the entity that was involved, the dates of such instances, and the outcome.

17. If a license is required to perform any services provided by your firm, in the past five years, has your firm, or any person employed by your firm, been investigated, cited, assessed any penalties, subject to any disciplinary action by a licensing agency, or found to have violated any licensing laws?

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance in the last five years.

SERVICE

18. In the past five years, has your firm, any of its owners, partners, or officers, ever been penalized or given a letter of warning by the City of Los Angeles for failing to obtain authorization from the City for the substitution of a Minority-owned (MBE), Women-owned (WBE), or Other (OBE) business enterprise?

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance in the last five years.

H. BUSINESS INTEGRITY

19. For questions (a), (b), and (c) below, check **Yes** if the situation applies to your firm. For these questions, the term "firm" includes any owners, partners, or officers in the firm. The term "owner" does not include owners of stock in your firm if the firm is a publicly traded corporation. If you check **Yes** to any of the questions below, explain on Attachment B the circumstances surrounding each instance.

(a) Is a governmental entity or public utility currently investigating your firm for making (a) false claim(s) or material misrepresentation(s)?

Yes **No**

(b) In the past five years, has a governmental entity or public utility alleged or determined that your firm made (a) false claim(s) or material misrepresentation(s)?

Yes **No**

(c) In the past five years, has your firm been convicted or found liable in a civil suit for, making (a) false claim(s) or material misrepresentation(s) to any governmental entity or public utility?

Yes **No**

20. In the past five years, has your firm or any of its owners or officers been convicted of a crime involving the bidding of a government contract, the awarding of a government contract, the performance of a government contract, or the crime of fraud, theft, embezzlement, perjury, bribery? For this question, the term "owner" does not include those who own stock in a publicly traded corporation.

Yes **No**

If **Yes**, explain on Attachment B the circumstances surrounding each instance.

CERTIFICATION UNDER PENALTY OF PERJURY

I certify under penalty of perjury under the laws of the State of California that I have read and understand the questions contained in this questionnaire and the responses contained on all Attachments. I further certify that I have provided full and complete answers to each question, and that all information provided in response to this Questionnaire is true and accurate to the best of my knowledge and belief.

Print Name, Title

Signature

Date

ATTACHMENT A FOR SECTIONS A THROUGH C

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Make copies of this Attachment if additional pages are needed.

Page _____

ATTACHMENT B FOR SECTIONS D THROUGH H

Where additional information or an explanation is required, use the space below to provide the information or explanation. Information submitted on this sheet must be typewritten or printed in ink. Include the number of the question for which you are submitting additional information. Make copies of this Attachment if additional pages are needed.

Page _____

ATTACHMENT C: GOVERNMENTAL ENTITIES FOR QUESTION NO. 16

Check **Yes** in response to Question No. 16 if your firm or any of its owners, partners or officers, have ever been investigated, cited, assessed any penalties, or found to have violated any laws, rules, or regulations enforced or administered, by any of the governmental entities listed below (or any of its subdivisions), including but not limited to those examples specified below. The term “owner” does not include owners of stock in your firm if your firm is a publicly traded corporation. If you answered **Yes**, provide an explanation on Attachment B of the circumstances surrounding each instance, including the entity involved, the dates of such instances, and the outcome.

FEDERAL ENTITIES**Federal Department of Labor**

- American with Disabilities Act
- Immigration Reform and Control Act
- Family Medical Leave Act
- Fair Labor Standards Act
- Davis-Bacon and laws covering wage requirements for federal government contract workers
- Migrant and Seasonal Agricultural Workers Protection Act
- Immigration and Naturalization Act
- Occupational Safety and Health Act
- anti-discrimination provisions applicable to government contractors and subcontractors
- whistleblower protection laws

Federal Department of Justice

- Civil Rights Act
- American with Disabilities Act
- Immigration Reform and Control Act of 1986
- bankruptcy fraud and abuse

Federal Department of Housing and Urban Development (HUD)

- anti-discrimination provisions in federally subsidized/assisted/sponsored housing programs
- prevailing wage requirements applicable to HUD related programs

Federal Environmental Protection Agency

- Environmental Protection Act

National Labor Relations Board

- National Labor Relations Act

Federal Equal Employment Opportunity Commission

- Civil Rights Act
- Equal Pay Act
- Age Discrimination in Employment Act
- Rehabilitation Act
- Americans with Disabilities Act

STATE ENTITIES**California's Department of Industrial Relations**

- wage and labor standards, and licensing and registration
- occupational safety and health standards
- workers' compensation self insurance plans
- Workers' Compensation Act
- wage, hour, and working standards for apprentices
- any provision of the California Labor Code

California's Department of Fair Employment and Housing

- California Fair Employment and Housing Act
- Unruh Civil Rights Act
- Ralph Civil Rights Act

California Department of Consumer Affairs

- licensing, registration, and certification requirements
- occupational licensing requirements administered and/or enforced by any of the Department's boards, including the Contractors' State Licensing Board

California's Department of Justice**LOCAL ENTITIES**

City of Los Angeles or any of its subdivisions for violations of any law, ordinance, code, rule, or regulation administered and/or enforced by the City, including any letters of warning or sanctions issued by the City of Los Angeles for an unauthorized substitution of subcontractors, or unauthorized reductions in dollar amounts subcontracted.

OTHERS

Any other federal, state, local governmental entity for violation of any other federal, state, or local law or regulation relating to wages, labor, or other terms and conditions of employment.

**EQUAL BENEFITS ORDINANCE / FIRST
SOURCE HIRING ORDINANCE**

SECTION E
EQUAL BENEFITS ORDINANCE STATEMENT

Any contract awarded pursuant to this procurement process shall be subject to the applicable provisions of Los Angeles Administrative Code Section 10.8.2.1, Equal Benefits Ordinance (EBO).

All Proposers shall complete and submit the Equal Benefits Ordinance Compliance Affidavit, available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org, prior to award of a City contract that exceeds \$25,000. The affidavit shall be valid for a period of three years from the date it is first **uploaded** onto the City's BAVN. Proposers do not need to submit supporting documentation with their bids or proposals. However, the City may request supporting documentation to verify that the benefits are provided equally as specified on the EBO Affidavit.

Proposers seeking additional information regarding the requirements of the Equal Benefits Ordinance may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

Unless approved for an exemption, contractors under contracts primarily for the furnishing of services to or for the City, the value of which exceeds \$25,000 with a term of at least three (3) months, and certain recipients of City Loans or Grants, shall comply with the provisions of Los Angeles Administrative Code Sections 10.44 et seq., First Source Hiring Ordinance (FSHO).

All Proposers shall complete and electronically sign the FSHO Compliance Affidavit available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract. The affidavit shall be valid for a period of three years from the date it is first uploaded on the City's BAVN.

Proposers seeking additional information regarding the requirements of the First Source Hiring Ordinance may visit the Bureau of Contract Administration's web site at <http://bca.lacity.org>.

INSTRUCTIONS:

- a. All proposers shall complete and electronically sign the EBO/FSHO Compliance Affidavit web application form located on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org.

**LIVING WAGE ORDINANCE AND SERVICE CONTRACT
WORKER RETENTION ORDINANCE**

SECTION F
LIVING WAGE ORDINANCE
AND
SERVICE CONTRACT WORKER RETENTION ORDINANCE

Unless approved for an exemption, contractors under contracts primarily for the furnishing of services to or for the City and that involve an expenditure in excess of \$25,000 and a contract term of at least three (3) months, lessees and licensees of City property, and certain recipients of City financial assistance, shall comply with the provisions of Los Angeles Administrative Code Sections 10.37 et seq., Living Wage Ordinance (LWO) and 10.36 et seq., Service Contractor Worker Retention Ordinance (SCWRO). Additional information may be found at <http://bca.lacity.org/index.cfm>.

INSTRUCTIONS:

Proposers who believe that they meet the qualifications for one of the exemptions described in the LWO List of Statutory Exemptions shall apply for exemption from the Ordinance by submitting with their proposal the Bidder/Contractor Application for Non-Coverage or Exemption (Form OCC/LW-10), the Non-Profit/One-Person Contractor Certification of Exemption (Form OCC/LW-13), or the Small Business Exemption Application (Form OCC/LW-26A). These exemption forms are available on the Bureau of Contract Administration website at <http://bca.lacity.org/index.cfm>.

If no exemption is claimed, do not submit the abovementioned forms with the proposal.

**CITY OF LOS ANGELES
LIVING WAGE ORDINANCE
(Los Angeles Administrative Code Section 10.37 et seq.)**

1. What is the Living Wage Ordinance?

The Living Wage Ordinance (LWO) requires employers who have agreements with the City to pay their employees at least a minimum “living wage” and to provide certain benefits. If the agreement is subject to the LWO, the employer must do the following:

- Pay employees working on the subject agreement a wage rate that is at least equal to the “living wage” rate. The “living wage” is adjusted annually and becomes effective July 1 of each year. Employers can obtain information about the living wage rate currently in effect by going to Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) website at www.lacity.org/bca/OCCmain.html.
- Provide employees with at least 12 paid days off per year for sick leave, vacation, or personal necessity; and at least 10 unpaid sick days off per year.
- Tell employees who make less than \$12.00 per hour that they may qualify for the federal Earned Income Tax Credit and provide them with the forms required to apply for the credit.
- Cooperate with the City by providing access to the work site and to payroll and related documents so that the City can determine if the employer is complying with the LWO.
- Pledge to comply with federal laws prohibiting an employer from retaliating against employees for union organizing.
- Not retaliate against any employee who makes claims about non-compliance with the LWO.

2. When was the Ordinance adopted?

The LWO was adopted in May, 1997 and amended in January, 1999.

3. What types of agreements are subject to the Ordinance?

Generally, the LWO covers the following types of agreements:

- An agreement in an amount over \$25,000.00 and for at least three months in which an employer will provide services to or for the City.
- An agreement for the lease or license of City property if the service being performed on the property is something that City employees would otherwise do.
- An agreement for the lease or license of City property that is in a location where a substantial number of the general public might visit.
- An agreement in which the City gives financial assistance for the purpose of promoting economic development or job growth.
- An agreement in which the City determines that applying the LWO would be in the best interest of the City.

4. Is an agreement subject to the LWO if it was entered into before May, 1997?

Agreements executed after May, 1997 are subject to the LWO. An agreement entered into before May, 1997 may become subject to LWO if it is later amended or modified in order to add time or money to the original agreement.

5. Are there any requirements that would apply to an employer who does not have an agreement with City that is subject to the LWO?

All employers are required to comply with the LWO's prohibition against retaliation, even if the employer does not have an agreement with the City that is subject to the Ordinance.

6. Are all employees covered by the Ordinance?

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7. Are an employer's subcontractors subject to the requirements of the Ordinance?

A subcontractor may be covered by the Ordinance if the subcontractor performs work on the subject agreement. If so, the subcontractor must also comply with the requirements of the LWO, including all reporting requirements. The prime contractor is responsible for the making sure that the subcontractor complies with the LWO.

8. What happens if an employer is found to be in violation of the Ordinance?

Payments due may be withheld. Also, the employer may be deemed to be in material breach of the agreement. When that happens, the City may take the following steps:

- Terminate the agreement and pursue all available contractual remedies.
- Debar the employer from doing business with the City for three (3) years or until all penalties and restitution have been fully paid, whichever occurs last.
- Bring a lawsuit against the employer for all unpaid wages and health benefit premiums and/or seek a fine of up to one hundred dollars (\$100.00) for each day the violation remains uncorrected.

9. What if a subcontractor is found to be in violation of the Ordinance?

Because the prime contractor is responsible for making sure that all its subcontractors comply with the LWO, the sanctions listed in answer #8 may be applied to the prime contractor if the subcontractor does not correct the violation(s).

10. What can an employee do if an employer is in violation of the Ordinance?

The employee can submit a complaint to the Office Contract Compliance which will investigate the complaint. Also, the employee can bring his or her own lawsuit against the employer for:

- Back pay for failing to pay the correct wages or correct health benefit premiums.
- Reinstatement and back pay for retaliation.
- Triple the amount of the back pay that is owed if the violation was found by the court to be willful.

11. Are there any exemptions available under the Ordinance?

An employer may apply for an exemption based on the following categories:

- Service agreements that are less than 3 months or \$25,000 or less.

- Agreements for the purchase of goods, property, or the leasing of property (with City as the lessee).
- Construction contracts that do not meet the definition of a service agreement.
- Employees who are required to have an occupational license in order to provide services to or for the City are exempt.
- Employers who are party to a collective bargaining agreement (CBA) that has language stating that the CBA shall supersede the LWO.
- Financial assistance recipients who meet the requirements stated in Section 10.37.1(c) of the LWO.
- Employers (contractors, subcontractors, financial assistance recipients) organized under IRS Code, Section 501(c)(3) whose chief executive officer's hourly wage rate is less than eight times the hourly wage rate of the lowest paid worker are be exempt. However, this exemption does not apply to child care workers.
- Lessees or licensees who have no more than a total of seven employees and who have annual gross revenue of less than \$471,870 (effective July 1, 2012). The qualifying annual gross revenue is adjusted every July.
- One-person contractors, lessees, licensees or financial assistance recipients who employ no workers.
- Agreements that involve other governmental entities.

12. Who is responsible for the administration and enforcement of the Ordinance?

The Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance, located at 1149 S. Broadway, Suite 300, and Los Angeles, CA 90015. For additional information, please call (213) 847-2625, send an e-mail inquiry to bca.eeoe@lacity.org, or go to the Office of Contract Compliance website at <http://bca.lacity.org>.

LIVING WAGE ORDINANCE STATUTORY EXEMPTIONS

Living Wage Ordinance (LWO) statutory exemptions are now divided into the following three categories:

1. Exemptions that do not require approval from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC).
 2. Exemptions that do not require OCC approval but require a Contractor Certification of Exemption.
 3. Exemptions that require submission of an Application for Exemption and OCC approval of the Application.
1. **The following exemptions do not require OCC approval or any Contractor Certification:** Departments only need to indicate the exemption in the appropriate category on the LWO Departmental Determination of Coverage Form.
 - a. **Less than three months OR less than \$25,000 (LAAC 10.37.1(j)).** Service contracts or Authority for Expenditures that do not meet these thresholds are not covered by the LWO.
 - b. **Other governmental entities (LAAC 10.37.1(g)).** Agreements with other governmental entities such as Los Angeles County, the State of California, or the University of California, are not covered by the LWO. Subcontractors to these entities are also not covered by the LWO.
 - c. **Purchase of goods, property, or the leasing of property, with the City as lessee (LAAC 10.37.1(j)).** Such contracts are categorically exempt from the LWO unless they include a service component that is more than just incidental (regular and recurring services is required). Examples of such categorically exempt contracts include contracts to purchase office supplies or to lease space to be occupied by City departments.
 - d. **Construction contracts, not conforming to the definition of a service contract (LAAC 10.37.1(j)).** Such contracts are categorically exempt from the LWO. Examples include construction of buildings and infrastructure.
 - e. **City financial assistance not meeting thresholds (LAAC 10.37.1(c)).** Agreements to provide a contractor with City financial assistance (which typically mean grants or loans provided at interest rates that are lower than the Applicable Federal Rate) are categorically exempt from the LWO if they meet both of the following:
 - (1) The assistance given in a 12-month period is below \$1,000,000 AND less than \$100,000 per year.
 - (2) The assistance is not for economic development or job growth.
 - f. **Business Improvement Districts (BID) (LWO Regulation #11).** Service agreements are categorically exempt from the LWO if the services are funded with the BID's assessment money collected by the City after the formation of the BID. Service contracts in which City money is used to hire firms to help in forming the BID remain subject to the LWO unless the contractor otherwise qualifies for an exemption.
 2. **The following exemption categories do not require OCC approval, but the contractor must still submit a Contractor Certification of Exemption from Living Wage (OCC/LW-13).** No OCC approval is required for the exemption to be valid. However, the department must include the Contractor Certification of Exemption with the contract.

- a. **501(c)(3) Non-profit organizations (LAAC 10.37.1(g)):** Employers (contractors, subcontractors, financial assistance recipients) organized under IRS Code Section 501(c)(3) are exempt from the LWO if the hourly wage rate of the corporation's highest paid employee is less than eight times the hourly wage rate of the corporation's lowest paid worker. However, the exemption does not extend to Child Care Workers as defined in the LWO Rules and Regulations (an employee "whose work on an agreement involves the care or supervision of children 12 years of age and under."). A copy of the IRS 501(c)(3) Exemption Letter will be required.
- b. **One-person contractors with no employees (LAAC 10.37.1(f)):** Contractors, lessees, licensees or financial assistance recipients who employ no workers are exempt from the LWO.
3. **The following exemption categories require submission of an application for exemption and OCC approval of the application to be valid.**
- a. **Collective bargaining agreements (CBA) that supersede the LWO (LAAC 10.37.12):** Contractors whose employees are covered by a CBA that supersedes the requirements of the LWO are not subject to the LWO. A copy of the CBA with the superseding language or a letter from the union indicating that the union has agreed to allow the CBA to supersede the LWO will be required to be submitted. Example: Labor agreement between parking contractor and a labor union with language that wages and benefits in the CBA shall supersede the LWO. Contractors must use the LWO Application for Non-Coverage or Exemption form (Form OCC/LW-10) and submit a copy of the CBA or a letter from the union.
- b. **Occupational license (LAAC 10.37.1(f)):** Employees required to possess an occupational license in order to provide the services under the City agreement are not subject to the LWO. However, only the individual employees who are required to possess an occupational license are exempt. Employees who work on the City contract and are not required to possess an occupational license remain subject to the LWO. Example: Under California Labor Code Sections 7375 – 7380, a person must be licensed by the State of California in order to inspect and certify cranes and derricks used in lifting services. Contractors must use the LWO Application for Non-Coverage or Exemption form (Form OCC/LW-10) and submit a listing of the employees who possess occupational licenses and a copy of the licenses.
- c. **Small business exemptions for Public Lessees/Licensees (LAAC 10.37.1(i)):** Small businesses that lease property from the City may apply for OCC approval for LWO exemption if the lessee or licensee: (1) employs no more than a total of seven employees; and (2) has annual gross revenues of less than \$471,870 (adjusted July 1, 2012). This applies only to lessees with lease agreements executed after February 24, 2001, and to amendments executed after February 24, 2001 that add monies or extend term. Use the Application for "Small Business" Exemption (Form OCC/LW-26a) and submit the application with the documents requested on that form.
- d. **City financial assistance agreements that exceed the LWO monetary thresholds may apply for one of the exemptions below.** Applicants and departments should refer to Regulation #3(c) for the requirements and the documents that must be submitted with the LWO Application for Non-Coverage or Exemption (OCC/LWO-10).
 (1) The City financial assistance recipient (CFAR) is in its first year of operation (LAAC 10.37.1(c)).
 (2) The CFAR employs fewer than five employees (LAAC 10.37.1(c)).

- (3) The CFAR would face undue hardship because it employs the long-term unemployed or provides trainee positions to prepare employees for permanent positions (LAAC 10.37.1(c)). REQUIRES COUNCIL APPROVAL.

LWO – OCC NON-COVERAGE/EXEMPTION APPLICATION

OCC DETERMINATION/APPROVAL REQUIRED

This application for non-coverage/exemption must be submitted by the Contractor along with its bid or proposal to the AWARDDING DEPARTMENT. Awarding Departments may also apply for an exemption for OCC approval. **INCOMPLETE SUBMISSIONS WILL BE RETURNED.**

Los Angeles Administrative Code 10.37, the Living Wage Ordinance (LWO), presumes all City contractors (including service contractors, subcontractors, financial assistance recipients, lessees, licensees, sublessees and sublicensees) are subject to the LWO unless an exemption applies.

CONTRACTOR INFORMATION:

1. Company Name: _____	Phone Number: _____
2. Company Address: _____	
3. Are you a Subcontractor? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, state the name of your Prime Contractor: _____	
4. Type of Service Provided: _____	

NON-COVERAGE INFORMATION:

TO BE REQUESTED BY AWARDDING DEPARTMENTS OR CONTRACTORS

REQUEST FOR NON-COVERAGE DETERMINATION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> Per Section 10.37.13 of the LWO, contractors may request a determination of non-coverage on any basis allowed by this article, including, but not limited to: non-coverage, for failure to satisfy definition of "City financial assistance recipient", "public lease/license", or "service contract".	A <i>detailed</i> memorandum explaining the basis of the request, which may include, but is not limited to: the terms of a city financial assistance agreement, purpose of the contract, location, and work performed. OCC may request further information to issue a determination.

EXEMPTION INFORMATION:

CHECK OFF ONE BOX BELOW THAT BEST DESCRIBES THE TYPE OF EXEMPTION YOU ARE APPLYING FOR AND ATTACH THE SUPPORTING DOCUMENTATION LISTED ON THE RIGHT:

TO BE REQUESTED BY AWARDDING DEPARTMENTS ONLY

EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> Grant Funded Services, provided that the grant funding agency indicates in writing that the provisions of the Ordinances should not apply.	Provide a copy of grant-funding agency's determination to the OCC.

TO BE REQUESTED BY CONTRACTORS ONLY

EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> Collective bargaining agreement with supersession language - (LAAC 10.37.12): Contractors who are party to a collective bargaining agreement (CBA) which contains specific language indicating that the CBA will supersede the LWO may receive an exemption as to the employees covered under the CBA.	A copy of the CBA with the superseding language clearly marked OR A letter from the union stating that the union has agreed to allow the CBA to supersede the LWO.
<input type="checkbox"/> Occupational license required - (LAAC 10.37.1(f)): Only the individual employees who are required to possess an Occupational license to provide services to or for the City are exempt.	A listing of the employees required to possess occupational licenses to perform services to or for the City AND Copies of each of these employees' occupational licenses.

By signing, the contractor certifies under penalty of perjury under the laws of the State of California that the information submitted in support of this application is true and correct to the best of the contractor's knowledge.

Print Name of Person (Contractor) Completing This Form	Signature of Person (Contractor) Completing This Form
Title	Date
Phone #	

ANY DETERMINATION/APPROVAL IS APPLICABLE ONLY TO THE LISTED CONTRACTOR FROM THE LWO DURING THE PERFORMANCE OF THIS CONTRACT. A SUBCONTRACTOR PERFORMING WORK ON THIS CONTRACT IS NOT EXEMPT UNLESS THE OFFICE OF CONTRACT COMPLIANCE HAS APPROVED A SEPARATE APPLICATION FOR THE INDIVIDUAL SUBCONTRACTOR.

AWARDDING DEPARTMENT USE ONLY:

Dept: _____	Dept Contact: _____	Contact Phone: _____	Contract #: _____
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OCC USE ONLY:

Approved / Not Approved – Reason: _____	
By OCC Analyst: _____	Date: _____

LWO –DEPARTMENTAL EXEMPTION APPLICATION

EXEMPTIONS THAT REQUIRE AWARDING DEPARTMENT APPROVAL

This application for exemption must be submitted along with your bid or proposal to the AWARDING DEPARTMENT. INCOMPLETE SUBMISSIONS WILL BE RETURNED.

Los Angeles Administrative Code 10.37, the Living Wage Ordinance (LWO), presumes all City contractors (including service contractors, subcontractors, financial assistance recipients, lessees, licensees, sublessees and sublicensees) are subject to the LWO unless an exemption applies.

TO BE FILLED OUT BY THE CONTRACTOR:

1. Company Name: _____ Phone Number: _____
2. Company Address: _____
3. Are you a Subcontractor? Yes No If YES, state the name of your Prime Contractor: _____
4. Type of Service Provided: _____

EXEMPTION INFORMATION:

CHECK OFF ONE BOX BELOW THAT BEST DESCRIBES THE TYPE OF EXEMPTION YOU ARE APPLYING FOR AND ATTACH THE SUPPORTING DOCUMENTATION LISTED ON THE RIGHT:

EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> 501(c)(3) Non-Profit Organizations: <ul style="list-style-type: none"> ▪ A corporation organized under 501(c)(3) of the IRS Code qualifies for an exemption from the LWO if the highest paid employee makes less than eight times the hourly wage of the lowest paid employee. ▪ The exemption is valid for all employees except Child Care Workers. ▪ Therefore, even if a 501(c)(3) organization meets the salary test, Child Care Workers performing work on the City agreement must still be provided with the LWO required wage and time off benefits. ▪ Under the LWO's Rules and Regulations, a Child Care Worker is an employee "whose work on an agreement involves the care or supervision of children 12 years of age and under." ▪ This is read broadly so that the term would include, for example, tutors working with children 12 or under. 	<ol style="list-style-type: none"> 1. ATTACH a copy of your 501(c)(3) letter from the IRS. 2. ANSWER the following questions: <ol style="list-style-type: none"> A. STATE the hourly wage of HIGHEST paid employee in the organization: \$ _____ B. STATE the hourly wage of LOWEST paid employee in the organization: \$ _____ C. MULTIPLY B by 8: \$ <u>0</u> _____ 3. Based on Question 2 above, is A less than C? <input type="checkbox"/> YES <input type="checkbox"/> NO If NO, your company is NOT eligible for an exemption. If YES, sign and submit this application for final approval. 4. Will there be any Child Care Workers (as defined by the LWO Regulations) working on this Agreement? <input type="checkbox"/> YES <input type="checkbox"/> NO 5. Fill & Submit LW-18 Subcontractor Information Form.
<input type="checkbox"/> One-Person Contractors: Contractors that have no employees are exempt from the LWO. If you have employees in the future, you must comply with the Ordinance.	Fill and Submit the LW-18 Form.

I declare under penalty of perjury under the laws of the State of California that: (1) I am authorized to bind the entity listed above; (2) the information provided on this form is true and correct to the best of my knowledge; and (3) the entity qualifies for exemption from the LWO on the basis indicated above. By signing below, I further agree that **should the entity listed above cease to qualify for an exemption because of a change in salary structure, non-profit status, the hiring of employees, or any other reason, the entity will notify the Awarding Department and the OCC of such change and comply with the LWO's wage and time off requirements.**

Print Name of Person Completing This Form _____ Signature of Person Completing This Form _____

Title _____ Phone # _____ Date _____

ANY APPROVAL OF THIS APPLICATION EXEMPTS ONLY THE LISTED CONTRACTOR FROM THE LWO DURING THE PERFORMANCE OF THIS CONTRACT. A SUBCONTRACTOR PERFORMING WORK ON THIS CONTRACT IS NOT EXEMPT UNLESS THE OFFICE OF CONTRACT COMPLIANCE HAS APPROVED A SEPARATE EXEMPTION FOR THE INDIVIDUAL SUBCONTRACTOR.

AWARDING DEPARTMENT USE ONLY:

Dept: _____ Dept Contact: _____ Contact Phone: _____ Contract #: _____

Approved / Not Approved – Reason: _____

By Analyst: _____ Date: _____

LWO – OCC SMALL BUSINESS EXEMPTION APPLICATION

EXEMPTION THAT REQUIRES OCC APPROVAL

This application for exemption is for lessees and licensees only and must be submitted along with your bid or proposal to the AWARDDING DEPARTMENT. If approved, it will EXPIRE TWO (2) YEARS from the date of approval. This may be renewable in two (2) year increments upon meeting the requirements.

INCOMPLETE SUBMISSIONS WILL BE RETURNED.

Los Angeles Administrative Code 10.37, the Living Wage Ordinance (LWO), presumes all City contractors (including service contractors, subcontractors, financial assistance recipients, lessees, licensees, sublessees and sublicensees) are subject to the LWO unless an exemption applies.

TO BE FILLED OUT BY THE CONTRACTOR:	
1. Company Name: _____ Phone Number: _____	
2. Company Address: _____	
3. Are you a Subcontractor? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, state the name of your Prime Contractor: _____	
4. STATE the total number of businesses you have (inside and outside the City of Los Angeles premises): _____	
5. STATE the total number of businesses you have inside the City of Los Angeles premises only: _____	
SECTION I: BUSINESS INFORMATION	
CHECK OFF ONE BOX IN PART A THAT BEST DESCRIBES YOUR BUSINESS AND ATTACH DOCUMENTATION LISTED IN PART B:	
PART A	PART B: SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> I am a lessee or licensee beginning my first year of operation as a business.	None Required.
<input type="checkbox"/> I have other businesses, but this is my first year of operation on City premises. Effective July 1, 2016, my gross annual revenues for all of my businesses are less than \$497,363 for the 2015 calendar year.	ATTACH 2015 IRS Tax Returns listing gross revenues for ALL of your business(es).
<input type="checkbox"/> I have (a) business(es) on City premises, and effective July 1, 2016, my gross annual revenues from all my business(es) on City premises are less than \$497,363 for the 2015 calendar year.	ATTACH 2015 IRS Tax Returns listing gross revenues for ALL of your business(es) ON CITY PREMISES.
If you DID NOT check off ANY boxes in PART A, your company IS NOT ELIGIBLE FOR AN EXEMPTION. If you checked off ANY boxes in PART A, continue to Section II.	
SECTION II: EMPLOYEE INFORMATION	
CHECK OFF ANY BOX(ES) IN PART C THAT BEST DESCRIBE YOUR BUSINESS AND ATTACH DOCUMENTATION LISTED IN PART D:	
PART C	PART D: SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> I have Seven (7) employees or LESS in the entire company (inside AND outside the City of Los Angeles premises).	Submit a completed Employee Worksheet for Small Business Exemption (Form OCC/LW-26B). Information on the Employee Worksheet may subsequently require verification through payroll records. OR Payrolls for the nine (9) months you would like to have reviewed.
<input type="checkbox"/> My company's workforce worked an average of no more than 1,214 hours per month for at least three-fourths of the calendar year.	
If you DID NOT check off ANY boxes in PART C, your company IS NOT ELIGIBLE FOR AN EXEMPTION. If you checked off ANY box in PART C, ATTACH supporting documentation, SIGN , AND SUBMIT EXEMPTION FORM.	
By signing, the contractor certifies under penalty of perjury under the laws of the State of California that the information submitted in support of this application is true and correct to the best of the contractor's knowledge.	
Print Name of Person Completing This Form _____	Signature of Person Completing This Form _____
Title _____	Phone # _____
_____	Date _____
ANY APPROVAL OF THIS APPLICATION EXEMPTS ONLY THE LISTED CONTRACTOR FROM THE LWO DURING THE PERFORMANCE OF THIS CONTRACT. A SUBCONTRACTOR PERFORMING WORK ON THIS CONTRACT IS NOT EXEMPT UNLESS THE OFFICE OF CONTRACT COMPLIANCE HAS APPROVED A SEPARATE EXEMPTION FOR THE INDIVIDUAL SUBCONTRACTOR.	
AWARDDING DEPARTMENT USE ONLY:	
Dept: _____	Dept Contact: _____
Contact Phone: _____	Contract #: _____
OCC USE ONLY:	
Approved / Not Approved – Reason: _____	
By OCC Analyst: _____	Date: _____

CITY OF LOS ANGELES**Service Contractor Worker Retention Ordinance
(Los Angeles Administrative Code Section 10.36 et seq.)****1. What is the Service Contractor Worker Retention Ordinance?**

The Service Contractor Worker Retention Ordinance (SCWRO), effective May, 1996, requires a successor contractor and its subcontractors to retain for a 90-day period certain employees who worked for the terminated contractor or its subcontractors for at least 12 months. (See also Question #7 regarding which employees are covered.)

2. What is a successor contractor?

A successor contractor is one who has been awarded an agreement to provide services to or for the City that are similar to those that were provided under a recently terminated agreement.

3. What types of agreements are covered by the Ordinance?

The SCWRO covers the following types of agreements:

- For services in an amount over \$25,000.00 and for at least three months.
- In which the primary purpose is to provide services to or for the City (including leases and licenses).
- In which the City provides financial assistance for the purpose of promoting economic development or job growth.

4. What does the Ordinance require a terminated contractor to do?

The SCWRO requires the terminated contractor to provide the awarding authority with the names, addresses, dates of hire, hourly wage, and job classes of each employee who worked on the City agreement for that terminated contractor or its subcontractor. The awarding authority will provide the information to the successor contractor.

5. What does the Ordinance require a successor contractor to do?

The Ordinance requires the successor contractor to:

- Offer employment and retain for a 90-day period the employees who worked for at least 12 months for the terminated contractor or its subcontractors.
- Not discharge the employees retained under the SCWRO without cause during the 90-day period.
- Perform a written performance evaluation of each employee retained under the SCWRO at the end of the 90-day period.

6. Do the employees retained under the Ordinance receive any additional protection?

Employees retained under the SCWRO are employed under the terms and conditions of the successor contractor or as required by law. However, if the agreement the employees are working under is subject to Living Wage Ordinance (LWO), the employees must be paid the wage rate and be provided the benefits required by LWO.

7. Does the successor contractor have to retain all the prior contractor's employees?

The SCWRO covers only employees who meet all of the following requirements:

- Earn less than \$15.00 per hour.
- Primary job is in the City working on or under the City agreement.
- Worked for the terminated contractor or its subcontractor for the preceding 12 months or longer.
- Not a managerial, supervisory, or confidential employee; or an employee required to possess an occupational license.

8. What if the successor contractor determines that fewer employees are required to provide the services than were required by the prior contractor?

The names of the affected employees will be placed in order by seniority within each job classification. The successor contractor is required to retain employees based on seniority. The names of employees not retained will be placed on a preferential hiring list from which the successor contractor must use for subsequent hires.

9. What happens if an employee is discharged in violation of the Ordinance?

The employee may bring a lawsuit against the successor contractor. The employee can also submit a complaint to the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance which will investigate the complaint.

10. What if a contractor is found to be in violation of the Ordinance?

The City may terminate the agreement or pursue other legal remedies.

11. Who is responsible for administering and enforcing the Ordinance?

The Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance, located at 1149 S. Broadway, 3rd Floor, Los Angeles, CA 90015. For additional information, please call (213) 847-2625, send an e-mail inquiry to bca.eeoe@lacity.org, or go to the Office of Contract Compliance website at <http://bca.lacity.org>.

BUSINESS INCLUSION PROGRAM

SECTION G
BUSINESS INCLUSION PROGRAM

Established by Mayor's Executive Directive No. 14, this program requires all respondents to Requests for Bids (RFB), Requests for Proposals (RFPs), and Requests for Qualifications (RFQs) to perform subcontractor outreach to all available MBE/WBE/SBE/EBE/DVBE/OBE firms which could perform a portion of the scope of work required in the respective RFB, RFP, or RFQ. As proof of the respondent's outreach efforts, the respondent is required to perform the Business Inclusion Program Outreach on the Business Assistance Virtual Network (BAVN), www.labavn.org

INSTRUCTIONS:

All proposers must perform and submit the Business Inclusion Program Outreach as described in the following instructions.

**CITY OF LOS ANGELES BUSINESS INCLUSION PROGRAM (BIP)
FOR A REQUEST FOR PROPOSAL (RFP)**

Performance of a BIP outreach to Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Small Business Enterprises (SBE), Emerging Business Enterprises (EBE), Disabled Veteran Business Enterprises (DVBE), and Other Business Enterprises (OBE) subconsultants must be completed on the Business Assistance Virtual Network (BAVN), www.labavn.org.

All BIP outreach documentation must be submitted on the BAVN by 4:30 p.m. on the first calendar day following the day of the RFP response submittal deadline.

The Recreation and Parks anticipated levels of

MBE Participation:	<u>18%</u>
WBE Participation:	<u>4%</u>
SBE Participation:	<u>25%</u>
EBE Participation:	<u>8%</u>
DVBE Participation:	<u>3%</u>

NOTE: BIP outreach information and/or assistance may be obtained through the Contract Coordinator listed in the RFP.

**CITY OF LOS ANGELES' POLICY
BUSINESS INCLUSION PROGRAM (BIP) FOR A REQUEST FOR PROPOSAL (RFP)**

SUMMARY

This policy sets forth the City of Los Angeles' rules and procedures to be followed by respondents on advertised personal services contracts in regards to the City's BIP outreach requirements. In general, this policy provides that respondents for contracts must demonstrate compliance with the indicators relating to an active outreach program to obtain participation by MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs. Failure to demonstrate an outreach on the BAVN to comply with the indicators will render the bid non-responsive.

A. GENERAL

This policy statement explains how the City's BIP will be administered within the Awarding Authority for personal services contracts. The Awarding Authority is committed to ensuring full and equitable participation by minority, women, small, emerging, disabled veteran, and other businesses in the provision of all goods and services to the Department on a contractual basis. The BIP is set forth in this policy Statement. Respondents to the Awarding Authority shall be fully informed concerning the requirements of this Program. **Failure to comply with the City's BIP outreach requirements will render the response non-responsive and result in its rejection.**

B. DEFINITIONS

- I. Minority or Women Business Enterprise (MBE or WBE): For the purpose of this program, Minority or Women Business Enterprise shall mean a business enterprise that meets both of the following criteria:
 - a. A business that is at least 51 percent owned by one or more minority persons or women, in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons or women; and
 - b. A business whose management and daily business operations are controlled by one or more minority persons or women.
2. Small Business Enterprise (SBE): For the purpose of this program, Small Business Enterprise shall mean a business enterprise that meets the following criteria:
 - a. A business (personal or professional services, manufacturer, supplier, vendor) whose three (3) year average annual gross revenues does not exceed \$7 million.
 - b. A business (construction contractors) whose three (3) year average annual gross revenues does not exceed \$14 million.

3. Emerging Business Enterprise (EBE): For the purpose of this program, Emerging Business Enterprise shall mean a business enterprise whose three (3) year average annual gross revenues does not exceed \$3.5 million.
4. Disabled Veteran Business Enterprise (DVBE): For the purpose of this program, Disabled Veteran Business Enterprise shall mean a business enterprise that meets the following criteria:
 - a. A business that is at least 51 percent owned by one or more disabled veterans.
 - b. A business whose daily business operations must be managed and controlled by one or more disabled veterans.
5. Other Business Enterprise (OBE): For the purpose of this program, Other Business Enterprise shall mean any business enterprise which either does not otherwise qualify or has not been certified as a Minority, Women, Small, Emerging, and/or Disabled Veteran Business Enterprise.
6. Minority person: For the purpose of this program, the term "Minority person" shall mean African Americans; Hispanic Americans; Native Americans (including American Indians, Eskimos, Aleuts, and Native Hawaiians); Asian-Pacific Americans (including persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas); and Subcontinent Asian Americans (including persons whose origins are from India, Pakistan and Bangladesh).
7. Disabled Veteran: For the purpose of this program, the term "Disabled Veteran" shall mean a veteran of the U.S. military, naval, or air service; the veteran must have a service-connected disability of at least 10% or more; and the veteran must reside in California.
8. Certification must be current **on the date the Awarding Authority awards a contract for the project** if credit is to be allowed towards the anticipated levels of MBE, WBE, SBE, EBE, and/or DVBE participation on this contract.
 - a. Certification as a Minority or Women Business Enterprise: an MBE/WBE must be certified by 1) City of Los Angeles, Bureau of Contract Administration; 2) State of California Department of Transportation (CalTrans); 3) Los Angeles County Metropolitan Transportation Authority (Metro); 4) Southern California Minority Business Development Council (SCMBDC) for MBE certifications only; or 5) any certifying agency that is a part of the State of California Unified Certification Program (CUCP) so long as the certification meets all of the City of Los Angeles' MBE/WBE certification requirements.

Applications for certification and directories of MBE/WBE certified firms are available at the following locations:

- 1) City of Los Angeles
Bureau of Contract Administration, Office of Contract Compliance
1149 S. Broadway, Suite 300, Los Angeles, CA 90015
Telephone: (213) 847-2684 FAX: (213) 847-2777
Internet address: <http://www.lacity.org/BCA>
 - 2) CalTrans
Caltrans Division of Procurement and Contracts/Material and
Distribution Branch/Publication Unit
1900 Royal Oaks Drive, Sacramento, CA 95815
To order a directory, call (916) 445-3520
Internet address: <http://www.dot.ca.gov/hq/bep/>
 - 3) Los Angeles County Metropolitan Transportation Authority
Equal Opportunity Department
1 Gateway Plaza, Los Angeles, CA 90012
Telephone: (213) 922-2600 FAX: (213) 922-7660
Internet address: <http://www.mta.net>
 - 4) Southern California Minority Business Development Council, Inc. (for
a fee)
800 W. 6th Street, Suite 850, Los Angeles, CA 90017
Telephone: (213) 689-6960 Fax: (213) 689-1707
Internet address: <http://www.scmbdc.org>
- b. Certification as a Small or Emerging Business Enterprise: An SBE or EBE firm must be certified by either: 1) City of Los Angeles, Bureau of Contract Administration; or 2) State of California, Office of Small Business & Disabled Veterans Business Enterprise Services so long as the certification meets all of the City of Los Angeles' SBE or EBE certification criteria. Note: The State of California does not offer EBE certifications. For the purposes of this program, the State's Microbusiness certification will be considered synonymous with the City's EBE certification.
- c. Certification as a Disabled Veteran Business Enterprise: A DVBE must be certified by State of California, Office of Small Business & Disabled Veterans Business Enterprise Services.
9. Business Inclusion Program Outreach Documentation: The respondent must take affirmative steps prior to submission of their RFP response to ensure that a maximum effort is made to recruit subconsultants. Minority, women, small, emerging, disabled veteran owned and controlled businesses must be considered along with other business enterprises whenever possible as sources of subconsulting services. Affirmative steps for BIP Outreach Documentation are outlined in Paragraph C herein. The BIP Outreach Documentation must be submitted as described in Paragraph C herein. Failure to submit the BIP Outreach Documentation will render the response non-responsive.

10. Subcontract: For the purpose of this program, the term “Subcontract” denotes an agreement between the prime Consultant and an individual, firm or corporation for the performance of a particular portion(s) of the work which the prime Consultant has obligated itself.
11. Subconsultant: An individual, firm, or corporation having a direct contract with the consultant for the performance of a part of the work which is proposed to be constructed or done under the contract or permit, including the furnishing of all labor, materials, or equipment. For the purposes of this Program, a subconsultant may also be referred to as a subcontractor.
12. Vendor and/or supplier: A firm that owns, operates or maintains a store, warehouse, or other establishment in which the materials or supplies required for the performance of the contract are bought, kept in stock, and regularly sold to the public in the usual course of business. The firm must engage in, as its principal business, and its own name, the purchase and sale of the products in question. A vendor and/or supplier of bulk items such as steel, cement, stone and petroleum products need not keep such products in stock, if it owns or operates distribution equipment.
13. Manufacturer: A firm that operates or maintains a factory or establishment that produces on the premises the materials or supplies obtained by the contractor.
14. Broker: A firm that charges for providing a bona fide service, such as professional, technical, consultant or managerial services and assistance in the procurement of essential personnel, facilities, equipment, insurance or bonds, materials or supplies required for performance of the contract. The fee or commission is to be reasonable and not excessive as compared with fees customarily allowed for similar services.
15. Participation Recognition: This applies to recognition as an MBE, WBE, SBE, EBE, DVBE.
 - a. All listed MBE, WBE, SBE, EBE, and/or DVBE firms must be certified as defined under Paragraph B, Definitions, Item 4, on the date the Awarding Authority awards a contract for the project before credit may be allowed toward the respective MBE, WBE, SBE, EBE, and/or DVBE pledged participation level.
 - b. Work performed by a MBE, WBE, SBE, EBE, and/or DVBE prime consultant will not be a consideration when determining a prime consultant’s BIP Outreach. The prime consultant will be required to make a BIP Outreach to obtain reasonable anticipated MBE, WBE, SBE, EBE, and/or DVBE participation levels through subconsulting or materials and supplies acquisition.
 - c. Recognition for materials and/or supplies is limited to 60 percent of the amount to be paid to the vendor for such materials/supplies in computing the pledged levels of MBE, WBE, SBE, EBE, and/or DVBE participation,

unless the vendor manufactures or substantially alters the materials/supplies.

- d. MBE, WBE, SBE, EBE, and/or DVBE credit for brokers required for performance of the contract is limited to the reasonable fee or commission charged, as not considered excessive, as compared with fees customarily allowed for similar services.
- e. A firm which qualifies as both a MBE and a WBE will be credited as either MBE participation or as WBE participation, but will not be credited for both. However, a MBE and/or WBE firm may also receive SBE, EBE and/or DVBE credit if so qualified.
- f. A listed MBE, WBE, SBE, EBE, and/or DVBE firm must be potentially available to perform a commercially useful function, i.e., must be potentially responsible for the execution of a distinct element of the work and potentially available to carry out its responsibility by performing, managing and supervising the work.
- g. MBE/WBE credit shall not be given to a Joint Venture partner listed as a subconsultant by a Joint Venture respondent.
- h. A SBE, EBE, DVBE prime consultant shall receive pledged participation credit for the work performed by its own workforce.

C. BIP OUTREACH DOCUMENTATION

It is the policy of the City of Los Angeles to provide Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs), Small Business Enterprises (SBEs), Emerging Business Enterprises (EBEs), Disabled Veteran Business Enterprises (DVBEs), and all Other Business Enterprises (OBEs) an equal opportunity to participate in the performance of City contracts. In order to maximize this participation while minimizing the administrative impact on city staff and RFP respondents alike, the Mayor's Office has developed a Business Inclusion Program (BIP). The BIP requires City departments to set anticipated participation levels based on the opportunities presented in their advertised contracts and department's achievement of its annual goals. A respondent's BIP Outreach to MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs shall be determined by their compliance with the following BIP Outreach process which will be performed on the City's Business Assistance Virtual Network (BAVN). The BAVN can be accessed by going to the City's Webpage (<http://www.lacity.org>) and linking onto "Bids, RFPs & Grants" or directly at www.labavn.org. Failure to meet the anticipated MBE, WBE, SBE, EBE, and/or DVBE participation levels will not by itself be the basis for disqualification or determination of noncompliance with this policy. **However, failure to comply with the BIP Outreach documentation requirements as described in this section will render the RFP response non-responsive and will result in its rejection.** *Compliance with the BIP Outreach requirements is required even if the proposer has achieved the anticipated MBE, WBE, SBE, EBE, and DVBE participation levels.* Adequacy of a bidder's BIP Outreach will be determined by the Awarding Authority after consideration of the indicators of BIP Outreach as set forth below.

Any technical difficulties while utilizing the BAVN should be reported immediately using the following steps:

1. Email BAVN Support at support@labavn.org.
2. Email the Contract Coordinator listed in the RFP.
3. If you are not contacted within 15 minutes during normal City working hours (7:00 a.m. to 4:30 p.m. Monday-Friday), call the Contract Coordinator listed in the RFP.

If the above procedures are not followed as stipulated, incomplete outreach and/or incomplete documentation may not be accepted.

Each indicator (2-6) is evaluated on a pass/fail basis. All indicators (2-6) must be passed to be deemed responsive. Only BIP Outreach documentation submitted under the bidders name will be evaluated. Therefore submission by a third party will result in the bidder being deemed non-responsive.

1	LEVEL OF ANTICIPATED MBE, WBE, SBE, EBE, and DVBE PARTICIPATION
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The proposer has performed a BIP Outreach in an attempt to obtain potential subconsultant participation by MBEs, WBEs, SBEs, EBEs, DVBEs and OBEs which could be expected by the Board to produce a reasonable level of participation by interested business enterprises, including the MBE, WBE, SBE, EBE and DVBE anticipated percentages set forth in the RFP and to have the proposer meet the subconsulting expectations for the project.

2	ATTENDED PRE-BID MEETING
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The proposer attended the pre-proposal meeting scheduled by the Project Manager to inform all proposers of the requirements for the project for which the contract will be awarded. This requirement may be waived if the proposer certifies it is informed as to those project requirements and has participated in a City-sponsored or City-approved matchmaking event in the prior 12 months.

Required Documentation: An employee of the proposer's company must attend the pre-submittal meeting scheduled for this project. Credit may not be given if the employee arrives late or fails to sign the pre-submittal meeting attendance roster. This requirement will be waived if the proposer both certifies in writing that it is informed as to the BIP Outreach requirements for the project and has participated in a City-sponsored or City-approved matchmaking event in the prior 12 months as is evidenced by the event attendance documents.

Note: If the RFP states that the pre-submittal meeting is mandatory, then attendance at the pre-submittal meeting is the only way to pass this indicator.

3	SUFFICIENT WORK IDENTIFIED FOR SUBCONSULTANTS
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The proposer has identified the minimum number, as determined by the Awarding Authority, of specific items of work that will be performed by subconsultants. This will ensure an opportunity for subconsultant participation among MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs.

Required Documentation: Outreach via e-mail in the selected potential work items. This outreach must be performed using the BAVN's BIP Outreach system. The outreach must be to potential MBE, WBE, SBE, EBE, DVBE, and OBE subconsultants who are currently registered on the BAVN. Failure of the proposer to outreach in all of the potential work items selected by the City as potential subconsulting work items may result in the RFP response being deemed non-responsive.

Note: City staff will access the BAVN and verify compliance with this indicator after the RFP submission deadline.

4	WRITTEN NOTICES TO SUBCONSULTANTS
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All notifications must be provided utilizing BAVN, and made not less than **fifteen (15) calendar days** prior to the date the Prime Bid/Proposal is required to be submitted. In all instances, proposers must document that invitations for subcontracting bids were sent to available MBEs, WBEs, SBEs, EBEs, DVBEs and OBEs for each item of work to be performed.

Required Documentation: E-mail notification in each of the selected potential work items to potentially available MBEs, WBEs, SBEs, EBEs, DVBEs and OBEs for each anticipated work item to be performed. The notification must be performed using the BAVN's BIP Outreach system. The notification must be to potential subconsultants currently registered on the BAVN. If the proposer is aware of a potential subconsultant that is not currently registered on the BAVN, it is the proposer's responsibility to encourage the potential subconsultant to become registered so that the proposer can include them as part of their outreach. Letters must contain areas of work anticipated to be subconsulted, City of Los Angeles project name, name of the proposer, and contact person's name, address, and telephone number. Proposers are required to send notifications to a sufficient number of firms comprised of MBEs, WBEs, SBEs, EBEs, DVBEs and OBEs in each potential work item chosen, as determined by the City. What is considered sufficient will be determined by the total number of potential subconsultants in each specific work item.

The City will determine each work area by the North American Industry Classification System (NAICS) code. The following table shows the sufficient number of MBE, WBE, SBE, EBE, DVBE and OBE subcontractors that need to be notified for each work area.

# of Subcontractors in NAICS Code	% Prime Must Notify	Number Prime Must Notify
1-10	100%	1-10
11-20	80%	9-16
21-50	60%	13-30
51-100	40%	21-40

101-200	25%	26-50
>200	10%	20+

A proposer's failure to utilize this notification function will result in their RFP response being deemed non-responsive.

Note: Proposers will not be able to utilize the BAVN's BIP Outreach notification function if there are less than fifteen (15) calendar days prior to the RFP response submittal deadline. In utilizing the BAVN's notification function, proposers will receive a message if they have failed to outreach to a sufficient number of firms when they go to view their summary sheet. Proposers will be given an opportunity to include their own customized statements when utilizing the notification function. However, the City will take into consideration the wording and may deem a proposer non-responsive if the wording is perceived to seriously limit potential subconsultant responses. City staff will access the BAVN and verify compliance with this indicator after the RFP submission deadline. Proposers are encouraged to print their BIP Outreach summary sheet prior to logging out as documented proof of their progress.

5	PLANS, SPECIFICATIONS AND REQUIREMENTS
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The proposer provided interested potential subconsultants with information about the availability of plans, specifications, and requirements for the selected subconsulting work.

Required Documentation: Include in Indicator 4, information detailing how, where and when the proposer will make the required information available to interested potential subconsultants. The notification must be performed using the BAVN's BIP Outreach system.

Note: For purposes of RFPs, making a copy of the RFP available to potential subconsultants will meet this requirement. At the time a proposer utilizes the BAVN's BIP Outreach notification function, the required information will automatically be included in the notification. Proposers will not be able to utilize the BAVN's BIP Outreach notification function if there are less than fifteen (15) calendar days prior to the RFP response submittal deadline. City staff will access the BAVN and verify compliance with this indicator after the RFP submission deadline.

6	NEGOTIATED IN GOOD FAITH
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The proposer has responded to every unsolicited offer sent by a Registered Subcontractor using BAVN and has evaluated in good faith bids or proposals submitted by interested MBEs, WBEs, SBEs, EBEs, DVBES, and OBEs. Proposers must not unjustifiably reject as unsatisfactory a bid or proposal offered by a Registered Subcontractor, as determined by the Awarding Authority. The proposer must submit a list of all subcontractors for each item of work, including dollar amounts of potential work for MBEs, WBEs, SBEs, EBEs, DVBES, and OBEs, and a copy of any and all bids or proposals received. This list must include an explanation of the evaluation that lead to

the bid or proposal being rejected and the explanation must have been communicated to the subcontractor using BAVN.

Required Documentation:

- a) Schedule A MBE/WBE/SBE/EBE/DVBE/OBE Subconsultants Information Form;
- b) An online Summary Sheet organized by work area, listing the following:
 - 1) The responses and/or bids received;
 - 2) The name of the subconsultant who submitted the bid/quote;
 - 3) A brief reason given for selection/non-selection as a subconsultant;
- c) Copies of all potential MBE/WBE/SBE/EBE/DVBE/OBE bids or quotes received must be submitted prior to award of a contract by the City;

The reasons for selection/non-selection should be included in the notes section of the online Summary Sheet. If the proposer elects to perform a listed work area with its own forces, they must include a bid/quote for comparison purposes and an explanation must be provided and included on the summary sheet. **All bids/quotes received, regardless of whether or not the proposer outreached to the subconsultant, must be submitted and included on the on-line Summary Sheet.** To that extent, the City expects the proposer to submit a bid from each subconsultant listed on the online Summary Sheet, including those listed on the proposer's Schedule A. **All potential subcontractors with whom the bidder has had contact outside of the BAVN must be documented on the online Summary Sheet.**

The summary sheet must be performed using the BAVN's BIP Outreach system and must be submitted by 4:30 p.m. on the first calendar day following the day of the RFP response submittal deadline. If a bid/quote is submitted by a firm that is not registered with the BAVN, the proposer is required to add that firm to their summary sheet. A proposer's failure to utilize the BAVN's summary sheet function will result in their RFP response being deemed non-responsive.

Note: Staff will request copies of all of the bids/quotes received as part of the BIP Outreach evaluation process. Proposers must have a bid/quote from each potential subconsultant listed on their Schedule A prior to submission of the Schedule A. The submission of the Schedule A is outlined in G herein. Proposers are encouraged to submit all of their bids/quotes with their RFP response submittal. Proposers will not be able to edit their summary sheet on the BAVN's BIP Outreach summary sheet function after 4:30 p.m. on the first calendar day following the day of the RFP response submittal deadline. City staff will access the BAVN and verify compliance with the summary sheet provision of this indicator after the RFP submission deadline. Proposers are required to have each of the subconsultants on their Schedule A registered on the BAVN prior to being awarded the contract.

7	BOND, LINES OF CREDIT, AND INSURANCE ASSISTANCE
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Each notification by the proposer shall also include an offer of assistance to interested potential MBEs, WBEs, SBEs, EBEs, DVBEs, and OBEs in obtaining bonds, lines of credit, and insurance required by the Awarding Authority or proposer.

Required Documentation: Include in Indicator 4, information about the proposer's efforts to assist with bonds, lines of credit and insurance. The notification must be performed using the BAVN's BIP Outreach system.

Note: At the time a proposer utilizes the BAVN's BIP Outreach notification function, the required information will automatically be included in the notification. Proposers will not be able to utilize the BAVN's BIP Outreach notification function if there are less than fifteen (15) calendar days prior to the RFP response submittal deadline. Proposers will be given an opportunity to include their own customized statements when utilizing the notification function. However, the City will take into consideration the wording and may deem a proposer non-responsive if the wording seriously limits potential subconsultant responses or is deemed contrary to the intent of this indicator. City staff will access the BAVN and verify compliance with this indicator after the RFP submission deadline.

The proposer shall submit completed BIP Outreach documentation either via the BAVN's BIP Outreach system or prior to award, as specified for each indicator. The Awarding Authority in its review of the BIP Outreach documentation may request additional information to validate and/or clarify that the BIP Outreach submission was adequate. Any additional information submitted after the response due date and time will be treated at a higher level of scrutiny and may require third Party documentation in order to substantiate its authenticity. Such information shall be submitted promptly upon request by the Awarding Authority.

D. AWARD OF CONTRACT

The Awarding Authority reserves the right to reject any and all RFP responses. The award of a contract will be to the responsive, responsible proposer whose proposal complies with all requirements prescribed herein. This includes compliance with the required Business Inclusion Program Outreach. A positive and adequate demonstration to the satisfaction of the Awarding Authority that a BIP Outreach to include MBE/WBE/SBE/EBE/DVBE/OBE subconsultants' participation was made is a condition for eligibility for award of the contract.

In the event that the Awarding Authority considers awarding away from a proposer because of the proposer's failure to supply adequate BIP Outreach documentation, the Awarding Authority shall afford the proposer an opportunity to present further evidence to the Awarding Authority prior to a public hearing of the proposer's BIP Outreach evaluation.

E. SUBCONSULTANT SUBSTITUTION

In addition to the requirements set forth in the provisions pertaining to the listing of subconsultants, the following shall apply for the purpose of this program:

1. Substitution During Contract Duration: The contract award requires that the level of all subconsultant participation shall be maintained throughout the duration of the contract. To this extent, any unapproved reduction in the listed subcontract amount will be considered an unauthorized substitution.

- a. The Consultant shall request approval of the Awarding Authority for all substitutions of bid-listed (Schedule A) subconsultants.
 - b. The request shall be in writing and submitted to the designated Project Manager for the Awarding Authority. The request shall give the reason for the substitution, the name of the subconsultant and the name of the replacement.
2. MBE/WBE/SBE/EBE/DVBE/OBE Subconsultant Substitution: The Awarding Authority requires that whenever the Consultant seeks to substitute a bid-listed (Schedule A) subconsultant, the Consultant must make a BIP Outreach to replace the subconsultant.
- a. The Consultant shall contact some of each of the following: certified MBE, certified WBE, certified SBE, certified EBE, certified DVBE, and OBE sub-bid prospects from each trade for which sub-bid/subconsulting work is available and document the following for submittal:
 - 1) Name of company contacted; contact person and telephone number; date and time of contact.
 - 2) Response for each item of work which was solicited, including dollar amounts.
 - 3) Reason for selection or rejection of sub-bid prospect.
 - 4) In the event that the Consultant is unable to find some certified MBE, certified WBE, certified SBE, certified EBE, certified DVBE, and OBE sub-bid prospects fore each trade, the Consultant should contact the Office of Contract Compliance at (213) 847-2684 for assistance prior to certifying under penalty of perjury that it was unable to fully meet this requirement.
3. In the event that a subcontract is reduced due to a project change that will not be specified in a change order, the Consultant shall request approval for reducing the subcontract by documenting the following for submittal:
- a. The name of the company for which the subcontract reduction is requested and the dollar amount of the reduction.
 - b. The reason for the reduction. Specific details should be given in order for the Consultant's request to be processed promptly.
 - c. The Consultant shall submit all documentation to the Awarding Authority's Project Manager.

F. SUB-AGREEMENT FALSIFICATION

Falsification or misrepresentation of a sub-agreement as to company name, contract amount and/or actual work to be done by the sub-bidder/subconsultant will result in sanctions set forth in provisions pertaining to listing of subconsultants.

G. SUBMITTAL DOCUMENTS

1. MBE/WBE/SBE/EBE/DVBE/OBE Subcontractors Information Form (Schedule A)

Proposers shall submit with their proposal the MBE/WBE/SBE/EBE/DVBE/OBE Subcontractors Information Form, provided here in as Schedule A. The proposer shall list itself and the names and addresses of all firms to be used with a complete description of work or supplies to be provided by each, and the description of work to be performed.

2. MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile (Schedule B)

During the term of the contract, the consultant must submit the MBE/WBE/SBE/EBE/DVBE/OBE Utilization Profile (Schedule B) when submitting the Monthly Remittance Advice to the City.

3. Final Subcontracting Report (Schedule C)

Upon completion of the project, a summary of these records shall be prepared on the "Final Subcontracting Report" form (Schedule C) and certified correct by the consultant or its authorized representative. The completed form shall be furnished to the Awarding Authority within 15 working days after completion of the contract.

H. RESPONSIBILITY FOR IMPLEMENTATION AND MONITORING

The Awarding Authority which acts as the City's Project Manager for the resulting contract will be the responsible entity for proper implementation and monitoring of the policy.

I. AWARD OF CONTRACT

Nothing herein restricts the discretion of the Awarding Authority to reject all proposals in accordance with Charter Section 371.

SCHEDULE A

**CITY OF LOS ANGELES
MBE/WBE/SBE/EBE/DVBE/OBE SUBCONTRACTORS INFORMATION FORM**

(NOTE: COPY THIS PAGE AND ADD ADDITIONAL SHEETS AS NECESSARY, SIGN ALL SHEETS)

Project Title

Proposer	Address
Contact Person	Phone/Fax

LIST OF ALL SUBCONSULTANTS (SERVICE PROVIDERS/SUPPLIERS/ETC.)				
NAME, ADDRESS, TELEPHONE NO. OF SUBCONSULTANT	DESCRIPTION OF WORK OR SUPPLY	MBE/WBE/ SBE/EBE/ DVBE/OBE	CALTRANS/ CITY/MTA CERT. NO.	DOLLAR VALUE OF SUBCONTRACT

PERCENTAGE OF MBE/WBE/SBE/EBE/DVBE/OBE PARTICIPATION			<hr style="border: none; border-top: 1px solid black; margin-bottom: 10px;"/> Signature of Person Completing this Form <hr style="border: none; border-top: 1px solid black; margin-bottom: 10px;"/> Printed Name of Person Completing this Form <hr style="border: none; border-top: 1px solid black; margin-bottom: 10px;"/> Title Date
	DOLLARS	PERCENT	
TOTAL MBE AMOUNT	\$	%	
TOTAL WBE AMOUNT	\$	%	
TOTAL SBE AMOUNT	\$	%	
TOTAL EBE AMOUNT	\$	%	
TOTAL DVBE AMOUNT	\$	%	
TOTAL OBE AMOUNT	\$	%	
BASE BID AMOUNT	\$		

**MUST BE SUBMITTED WITH PROPOSAL
SCHEDULE B
CITY OF LOS ANGELES**

MBE/WBE/SBE/EBE/DVBE/OBE UTILIZATION PROFILE

Project Title	Contract No.
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Consultant	Address
Contact Person	Phone/Fax

CONTRACT AMOUNT (INCLUDING AMENDMENTS)	THIS INVOICE AMOUNT	INVOICED TO DATE AMOUNT (INCLUDE THIS INVOICE)

MBE/WBE/SBE/EBE/DVBE/OBE SUBCONTRACTORS (LIST ALL SUBS)					
NAME OF SUBCONTRACTOR	MBE/WBE/ SBE/EBE/ DVBE/OBE	ORIGINAL SUBCONTRACT AMOUNT	THIS INVOICE (AMOUNT NOW DUE)	INVOICED TO DATE (INCLUDE THIS INVOICE)	SCHEDULED PARTICIPATION TO DATE

CURRENT PERCENTAGE OF MBE/WBE/SBE/EBE/DVBE/OBE PARTICIPATION TO DATE			Signature of Person Completing this Form: _____
	DOLLARS	PERCENT	
TOTAL MBE PARTICIPATION	\$	%	Printed Name of Person Completing this Form: _____ Title: _____ Date: _____
TOTAL WBE PARTICIPATION	\$	%	
TOTAL SBE PARTICIPATION	\$	%	
TOTAL EBE PARTICIPATON	\$	%	
TOTAL DVBE PARTICIPATION	\$	%	
TOTAL OBE PARTICIPATION	\$	%	

**SCHEDULE C
CITY OF LOS ANGELES
FINAL SUBCONTRACTING REPORT**

Project Title		Contract No.
Company Name	Address	
Contact Person		Phone

Name, Address, Telephone No. of all Subconsultants Listed on Schedule B	Description of Work or Supply	MBE/WBE/SBE/EBE/DVBE/OBE	Original Dollar Value of Subcontract	Actual Dollar Value of Subcontract*

* If the actual dollar value differs from the original dollar value, explain the differences and give details.

	Total Dollars	Achieved Levels	Pledged Levels		Total Dollars	Achieved Levels	Pledged Levels
MBE Participation				WBE Participation			
SBE Participation				EBE Participation			
DVBE Participation				OBE Participation			

Signature of Person Completing this Form Printed Name Title Date

SUBMIT WITHIN 15 DAYS OF PROJECT COMPLETION

MUNICIPAL LOBBYING ORDINANCE (MLO)

SECTION H
MUNICIPAL LOBBYING ORDINANCE (MLO)

The City's Municipal Lobbying Ordinance (Ord No. 169916) requires certain individuals and entities to register with the City Ethics Commission and requires public disclosure of certain lobbying activities, including money received and spent. Additionally, for all construction contracts, public leases, or licenses of any value and duration; goods or service contracts with a value greater than \$25,000 and a term of at least three (3) months, each bidder/proposer must submit with its bid a certification, on a form (CEC Form 50) prescribed by the City Ethics Commission, that the bidder acknowledges and agrees to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance, if the bidder qualifies as a lobbying entity. A copy of the ordinance can be found at:

http://ethics.lacity.org/pdf/laws/law_mlo.pdf

INSTRUCTIONS:

- a. All proposers must complete the enclosed Bidder Certification form (CEC Form 50) and submit with the proposal.



City Ethics Commission
 200 N Spring Street
 City Hall — 24th Floor
 Los Angeles, CA 90012
 Mall Stop 129
 (213) 978-1960

Bidder Certification

CEC Form 50

This form must be submitted to the awarding authority with your bid or proposal for the contract noted below. Please write legibly.

Original filing Amended filing (original signed on _____; last amendment signed on _____)

Bid/Contract/BAVN Number:

Awarding Authority (Department):

Name of Bidder:

Phone:

Address:

Email:

CERTIFICATION

I certify the following on my own behalf or on behalf of the entity named above, which I am authorized to represent:

- A. I am a person or entity that is applying for a contract with the City of Los Angeles.
- B. The contract for which I am applying is an agreement for one of the following:
 - 1. The performance of work or service to the City or the public;
 - 2. The provision of goods, equipment, materials, or supplies;
 - 3. Receipt of a grant of City financial assistance for economic development or job growth, as further described in Los Angeles Administrative Code § 10.40.1(h); or
 - 4. A public lease or license of City property where both of the following apply, as further described in Los Angeles Administrative Code § 10.37.1(l):
 - a. I provide services on the City property through employees, sublessees, sublicensees, contractors, or subcontractors, and those services:
 - i. Are provided on premises that are visited frequently by substantial numbers of the public; or
 - ii. Could be provided by City employees if the awarding authority had the resources; or
 - iii. Further the proprietary interests of the City, as determined in writing by the awarding authority.
 - b. I am not eligible for exemption from the City's living wage ordinance, as eligibility is described in Los Angeles Administrative Code § 10.37.1(l)(b).
- C. The value and duration of the contract for which I am applying is one of the following:
 - 1. For goods or services contracts—a value of more than \$25,000 and a term of at least three months;
 - 2. For financial assistance contracts—a value of at least \$100,000 and a term of any duration; or
 - 3. For construction contracts, public leases, or licenses—any value and duration.
- D. I acknowledge and agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if I qualify as a lobbying entity under Los Angeles Municipal Code § 48.02.

I certify under penalty of perjury under the laws of the City of Los Angeles and the state of California that the information in this form is true and complete.

Date: _____

Signature: _____

Name: _____

Title: _____

Los Angeles Administrative Code § 10.40.1

- (h) **"City Financial Assistance Recipient"** means any person who receives from the City discrete financial assistance in the amount of One Hundred Thousand Dollars (\$100,000.00) or more for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial assistance such as through tax legislation.

Categories of such assistance shall include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees.

Los Angeles Administrative Code § 10.37.1

- (l) **"Public lease or license"**.

- (a) Except as provided in (l)(b), "Public lease or license" means a lease or license of City property on which services are rendered by employees of the public lessee or licensee or sublessee or sublicensee, or of a contractor or subcontractor, but only where any of the following applies:
- (1) The services are rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities); or
 - (2) Any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources; or
 - (3) The DAA has determined in writing that coverage would further the proprietary interests of the City.
- (b) A public lessee or licensee will be exempt from the requirements of this article subject to the following limitations:
- (1) The lessee or licensee has annual gross revenues of less than the annual gross revenue threshold, three hundred fifty thousand dollars (\$350,000), from business conducted on City property;
 - (2) The lessee or licensee employs no more than seven (7) people total in the company on and off City property;
 - (3) To qualify for this exemption, the lessee or licensee must provide proof of its gross revenues and number of people it employs in the company's entire workforce to the awarding authority as required by regulation;
 - (4) Whether annual gross revenues are less than three hundred fifty thousand dollars (\$350,000) shall be determined based on the gross revenues for the last tax year prior to application or such other period as may be established by regulation;
 - (5) The annual gross revenue threshold shall be adjusted annually at the same rate and at the same time as the living wage is adjusted under section 10.37.2 (a);
 - (6) A lessee or licensee shall be deemed to employ no more than seven (7) people if the company's entire workforce worked an average of no more than one thousand two-hundred fourteen (1,214) hours per month for at least three-fourths (3/4) of the time period that the revenue limitation is measured;
 - (7) Public leases and licenses shall be deemed to include public subleases and sublicenses;
 - (8) If a public lease or license has a term of more than two (2) years, the exemption granted pursuant to this section shall expire after two (2) years but shall be renewable in two-year increments upon meeting the requirements therefor at the time of the renewal application or such period established by regulation.

PROHIBITED CONTRIBUTORS – CEC FORM 55

SECTION I
PROHIBITED CONTRIBUTORS – CEC FORM 55

The Los Angeles City Charter section 470(c)(12) prohibits proposers of contracts projected to be worth \$100,000 or more and that require City Council approval, from making campaign contributions to any elected City official, candidate for elected City office, or City committee controlled by an elected City official or candidate. Contributions are prohibited throughout the bidding process and the resulting contract.

Proposers and their principals must register with the City Ethics Commission. To do so, each proposer must submit with its bid a certification, on a form (CEC Form 55) prescribed by the City Ethics Commission. By doing so, the proposer acknowledges and agrees to comply with the requirements and prohibitions established in the Los Angeles City Charter.

In addition, any subcontractors who are projected to do \$100,000 worth of work or more on the contract are required to adhere to the same requirements. Said subcontractors and their principles must be notified of the City Charter requirements and prohibitions and must be included on CEC Form 55 (Schedule B)

INSTRUCTIONS:

- a. All proposers must complete the enclosed Prohibited Contributors form (CEC Form 55) and submit with the proposal.
- b. All of proposer's subcontractors who are projected to do \$100,000 worth of work or more must be included on CEC Form 55 (Schedule B).



Ethics Commission
 200 N Spring Street
 City Hall — 24th Floor
 Los Angeles, CA 90012
 (213) 978-1960
 ethics.lacity.org

Prohibited Contributors (Bidders) Form 55

This form must be completed in its entirety and submitted with your bid or proposal to the City department that is awarding the contract. Failure to submit a completed form may affect your bid or proposal. If you have questions about this form, please contact the Ethics Commission.

Original filing Amended filing (original signed on _____; last amendment signed on _____)

Reference Number (bid or contract number, if applicable): _____

Date Bid Submitted: _____

Description of Contract (title of RFP and services to be provided): _____

City Department Awarding the Contract: _____

BIDDER INFORMATION

Name: _____

Address: _____

Email: _____ Phone: _____

SCHEDULE SUMMARY

Please complete all three of the following:

1. SCHEDULE A — Bidder's Principals (check one)

- The bidder is the individual listed above and has no other principals (Schedule A is not required).
- The bidder is the individual listed above or an entity and has other principals, who are listed on the attached Schedule A pages.

2. SCHEDULE B — Subcontractors and Their Principals (check one)

- The bidder has no subcontractors on this bid or proposal whose subcontracts are worth \$100,000 or more (Schedule B is not required).
- The bidder has one or more subcontractors on this bid or proposal with subcontracts worth \$100,000 or more, and those subcontractors and their principals are listed on the attached Schedule B pages.

3. TOTAL NUMBER OF PAGES SUBMITTED (including this cover page): _____

BIDDER'S CERTIFICATION

I certify that I understand, will comply with, and have notified my principals and subcontractors of the requirements and restrictions in Los Angeles City Charter section 470(c)(12) and any related ordinances. I certify under penalty of perjury under the laws of the City of Los Angeles and the state of California that the information provided on this form and the attached pages is true and complete to the best of my knowledge and belief.

Date: _____ Signature: _____

Name: _____

Title: _____



Ethics Commission
200 N Spring Street
City Hall — 24th Floor
Los Angeles, CA 90012
(213) 978-1960
ethics.lacity.org

Prohibited Contributors (Bidders) Form 55

SCHEDULE A — BIDDER'S PRINCIPALS

Please identify the names and titles of all of the bidder's principals (attach additional sheets if necessary). Principals include a bidder's board chair, president, chief executive officer, chief operating officer, and individuals who serve in the functional equivalent of one or more of those positions. Principals also include individuals who hold an ownership interest in the bidder of at least 20 percent and employees of the bidder who are authorized by the bid or proposal to represent the bidder before the City.

Check this box if additional Schedule A pages are attached.

Name: _____ Title: _____

Address: _____



Ethics Commission
200 N Spring Street
City Hall — 24th Floor
Los Angeles, CA 90012
(213) 978-1960
ethics.lacity.org

Prohibited Contributors (Bidders) Form 55

SCHEDULE B — SUBCONTRACTORS AND THEIR PRINCIPALS

Please identify all subcontractors whose subcontracts are worth \$100,000 or more. Separate Schedule B pages are required for each subcontractor who meets that threshold.

Subcontractor: _____

Address: _____

Check one of the following:

- The subcontractor listed above is an individual and has no other principals.
- The subcontractor listed above is an individual or an entity and has principals, and their names and titles are identified below (attach additional sheets if necessary). Principals include a subcontractor's board chair, president, chief executive officer, chief operating officer, and individuals who serve in the functional equivalent of one or more of those positions. Principals also include individuals who hold an ownership interest in the subcontractor of at least 20 percent and employees of the subcontractor who are authorized by the bid or proposal to represent the subcontractor before the City.

Check this box if additional Schedule B pages are attached.

Name: _____ Title: _____

Address: _____

**FORM W-9, REQUEST FOR TAXPAYER IDENTIFICATION
NUMBER (TIN) AND CERTIFICATION**

SECTION I
FORM W-9
REQUEST FOR TAXPAYER IDENTIFICATION
NUMBER (TIN) AND CERTIFICATION

The Department requires Form W-9, "Request for Taxpayer Identification Number (TIN) and Certification," from all entities (vendors, operators, concessionaires, etc.) doing business with the Department in order for the Department to conduct financial transactions with said entities, such as returning proposal deposits or processing payments.

INSTRUCTIONS:

- a. All proposers must submit Form W-9 with the proposal. The name listed on Form W-9 must match the proposer's legal business name as listed on the Proposer's Signature Declaration and Affidavit. The most recent Form W-9, along with instructions for completing the form, can be found at <http://www.irs.gov/Forms-&-Pubs>.

**IRAN CONTRACTING ACT OF 2010 COMPLIANCE
AFFIDAVIT**

SECTION K

IRAN CONTRACTING ACT OF 2010 COMPLIANCE AFFIDAVIT

In accordance with California Public Contract Code Sections 2200-2208, all proposers submitting proposals for, entering into, or renewing contracts with the City of Los Angeles for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the Iran Contracting Act of 2010 Compliance Affidavit.

For more information, proposers can visit the State of California, Department of General Services, Office of Policies, Procedures, and Legislation (OPPL) website at www.dgs.ca.gov/pd/Resources/PDLegislation.aspx.

INSTRUCTIONS:

- a. All proposers to contracts that apply to the Iran Contracting Act of 2010 must sign and submit the affidavit with their proposal.

IRAN CONTRACTING ACT OF 2010 COMPLIANCE AFFIDAVIT

(California Public Contract Code Sections 2200-2208)

The California Legislature adopted the Iran Contracting Act of 2010 to respond to policies of Iran in a uniform fashion (PCC § 2201(q)). The Iran Contracting Act prohibits bidders engaged in investment activities in Iran from bidding on, submitting proposals for, or entering into or renewing contracts with public entities for goods and services of one million dollars (\$1,000,000) or more (PCC § 2203(a)). A bidder who “engages in investment activities in Iran” is defined as either:

1. A bidder providing goods or services of twenty million dollars (\$20,000,000) or more in the energy sector of Iran, including provision of oil or liquefied natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquefied natural gas, for the energy sector of Iran; **or**
2. A bidder that is a financial institution (as that term is defined in 50 U.S.C. § 1701) that extends twenty million dollars (\$20,000,000) or more in credit to another person, for 45 days or more, if that person will use the credit to provide goods or services in the energy sector in Iran and is identified on a list created by the California Department of General Services (DGS) pursuant to PCC § 2203(b) as a person engaging in the investment activities in Iran.

The bidder shall certify that at the time of submitting a bid for new contract or renewal of an existing contract, the bidder is **not** identified on the DGS list of ineligible businesses or persons and that the bidder is **not** engaged in investment activities in Iran in violation of the Iran Contracting Act of 2010.

California law establishes penalties for providing false certifications, including civil penalties equal to the greater of \$250,000 or twice the amount of the contract for which the false certification was made; contract termination; and three-year ineligibility to bid on contracts (PCC § 2205).

To comply with the Iran Contracting Act of 2010, the bidder shall provide its vendor or financial institution name, and City Business Tax Registration Certificate (BTRC) if available, in completing **ONE** of the options shown below.

OPTION #1: CERTIFICATION

I, the official named below, certify that I am duly authorized to execute this certification on behalf of the bidder or financial institution identified below, and that the bidder or financial institution identified below is **not** on the current DGS list of persons engaged in investment activities in Iran and is **not** a financial institution extending twenty million dollars (\$20,000,000) or more in credit to another person or vendor, for 45 days or more, if that other person or vendor will use the credit to provide goods or services in the energy sector in Iran and is identified on the current DSG list of persons engaged in investment activities in Iran.

<i>Vendor Name/Financial Institution (printed)</i>		<i>BTRC (or n/a)</i>
<i>By (Authorized Signature)</i>		
<i>Print Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>City Approval (Signature)</i>	<i>(Print Name)</i>

OPTION #2: EXEMPTION

Pursuant to PCC § 2203(c) and (d), a public entity may permit a bidder or financial institution engaged in investment activities in Iran, on a case-by-case basis, to be eligible for, or to bid on, submit a proposal for, or enter into, or renew, a contract for goods and services. If the bidder or financial institution identified below has obtained an exemption from the certification requirement under the Iran Contracting Act of 2010, the bidder or financial institution shall complete and sign below and attach documentation demonstrating the exemption approval.

<i>Vendor Name/Financial Institution (printed)</i>		<i>BTRC (or n/a)</i>
<i>By (Authorized Signature)</i>		
<i>Print Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>City Approval (Signature)</i>	<i>(Print Name)</i>



CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS

SECTION II

Compliance Documents to be Submitted by Selected Proposer

AMERICAN WITH DISABILITIES ACT CERTIFICATION

**CERTIFICATION REGARDING COMPLIANCE WITH THE
AMERICANS WITH DISABILITIES ACT**

The undersigned certifies, that to the best of his/her knowledge and belief, that:

1. The Contractor/Borrower/Agency (hereafter Contractor) is in compliance with and will continue to comply with the Americans with Disabilities Act 42 U.S.C. 12101 et. seq. and its implementing regulations.
2. The Contractor will provide for reasonable accommodations to allow qualified individuals with disabilities to have access and participate in its programs, services and activities in accordance with the provisions of the Americans With Disabilities Act.
3. The Contractor will not discriminate against persons with disabilities nor against persons due to their relationship or association with a person with a disability.
4. The Contractor will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
5. This Certification is a material representation of fact upon which the City relied when entering into this agreement.

AGREEMENT NUMBER: _____

CONTRACTOR: _____

NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE

DATE

BUSINESS TAX REGISTRATION CERTIFICATE

BUSINESS TAX REGISTRATION CERTIFICATE NUMBER
OR BUSINESS TAX EXEMPTION NUMBER FORM

All persons who do business with or within the City of Los Angeles, must first file with the Department of Finance (Tax/Permit Division), and obtain from that office a Business Tax Registration Certificate account number (BTRC) or Vendor Registration Number (VRN). Registration is renewable annually. For further information, contact the Tax and Permit Division located at 200 N. Spring St., Rm 101, Los Angeles, CA 90012 (213) 473-5901.

(Authority: Article 1, Chapter 2, Section 21.00 et seq. – LAMC)

Company Name: _____

Enter your current Business Tax Registration or Vendor Registration Number:

Old format:

XXXXXXXXXXXXXXXXXXXX										XX		XXXX				
										-						

New format:

XXXXXXXXXXXXXXXXXXXX															XX		XXXX		
										-									

State effective dates here: _____ to _____

If you have an application pending in the Department of Finance, and have not as yet received your number, a copy of your application must be submitted with your bid, proposal or agreement.

If you have received an exemption from the Department of Finance, provide an explanation for the exemption and the exemption number.

Exemption Number:

							-		
--	--	--	--	--	--	--	---	--	--

Explanation:

CHILD SUPPORT OBLIGATIONS

City of Los Angeles
CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS

The undersigned hereby agrees that _____ will:
Name of Business

1. Fully comply with all applicable State and Federal employment reporting requirements for it employees.
2. Fully comply with and implement all lawfully served Wage and Earnings Assignment Order and Notices of Assignment.
3. Certify that the principal owner(s) of the business are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally.
4. Certify that the business will maintain such compliance throughout the term of the contract.
5. This certification is a material representation of fact upon which reliance was placed when the parties entered into this transaction.
6. The undersigned shall require that the language of this Certification be included in all subcontractors and that subcontractors shall certify and disclose accordingly.

To the best of my knowledge, I declare under penalty of perjury that the foregoing is true and was executed at:

City/County/State

Date

Name of Business Address

Signature of Authorized Office or Representative Print Name

Title Telephone Number

CRO PLEDGE OF COMPLIANCE

**CITY OF LOS ANGELES
PLEDGE OF COMPLIANCE WITH CONTRACTOR RESPONSIBILITY ORDINANCE**

Los Angeles Administrative Code (LAAC) Section 10.40 et seq. (Contractor Responsibility Ordinance) provides that, unless specifically exempt, City contractors working under service contracts of at least \$25,000 and three months, contracts for services and for purchasing goods and products that involve a value in excess of twenty-five thousand dollars (\$25,000) and a term in excess of three months are covered by this Article; and construction contracts of any amount; public lessees; public licensees; and certain recipients of City financial assistance or City grant funds, shall comply with all applicable provisions of the Ordinance. Upon award of a City contract, public lease, public license, financial assistance or grant, the contractor, public lessee, public licensee, City financial assistance recipient, or grant recipient, and any its subcontractor(s), shall submit this Pledge of Compliance to the awarding authority.

The contractor agrees to comply with the Contractor Responsibility Ordinance and the following provisions:

- (a) To comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (b) To notify the awarding authority within 30 calendar days after receiving notification that any governmental agency has initiated an investigation which may result in a finding that the contractor did not comply with any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (c) To notify the awarding authority within 30 calendar days of all findings by a governmental agency or court of competent jurisdiction that the contractor has violated any federal, state, or local law in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (d) If applicable, to provide the awarding authority, within 30 calendar days, updated responses to the Responsibility Questionnaire if any change occurs which would change any response contained within the Responsibility Questionnaire and such change would affect the contractor's fitness and ability to continue the contract.
- (e) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with all federal, state, and local laws in the performance of the contract, including but not limited to laws regarding health and safety, labor and employment, wage and hours, and licensing laws, which affect employees.
- (f) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, sublicensee that perform or assist in performing services on the leased or licensed premises) submit a Pledge of Compliance.
- (g) To ensure that subcontractors working on the City agreement (including contractors or subcontractors of a public lessee, licensee, sublessee, or sublicensee that perform or assist in performing services on the leased or licensed premises) shall comply with paragraphs (b) and (c).

Failure to complete and submit this form to the Awarding Authority may result in withholding of payments by the City Controller, or contract termination.

Company Name, Address and Phone Number

Signature of Officer or Authorized Representative

Date

Print Name and Title of Officer or Authorized Representative

Awarding City Department

Contract Number

LOS ANGELES RESIDENCE INFORMATION

LOS ANGELES RESIDENCE INFORMATION

The City Council in consideration of the importance of preserving and enhancing the economic base and well-being of the City encourages businesses to locate or remain within the City of Los Angeles. This is important because of the jobs businesses generate and for the businesses taxes they remit. The City Council, January 7, 1992, adopted a motion that requires proposers to state their headquarter address as well as the percentage of their workforce residing in the City of Los Angeles.

Organization: _____

I. Corporate or Main Office Address

II. Total Number of Employees in the Organization: _____

III. Percentage of the Proposer's Total Workforce Employed within the City Of Los Angeles:

_____ ; Percentage Residing in the City: _____

IV. Address of any Branch Offices Located within the City of Los Angeles and Total Number Employed in each Los Angeles Branch:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

V. Percentage of the Workforce in each Los Angeles Branch Office that is Employed within the City: _____ ; Percentage Residing in the City: _____

**LIVING WAGE ORDINANCE AND SERVICE CONTRACT
WORKER RETENTION ORDINANCE**

LWO – SUBCONTRACTOR DECLARATION OF COMPLIANCE FORM
REQUIRED DOCUMENTATION FOR ALL SUBCONTRACTS SUBJECT TO LWO

This form must be signed within 90 DAYS of the execution of the subcontract and **RETAINED by the **PRIME CONTRACTOR**.**

TO BE FILLED OUT BY THE PRIME CONTRACTOR:

1. Company Name: _____ Company Phone Number: _____
 2. Company Address: _____
 3. Awarding Department: _____
 4. Project Name: _____

IF A SUBCONTRACTOR FAILS TO COMPLETE AND SUBMIT THIS FORM TO PRIME CONTRACTOR ON THE CITY CONTRACT, THE PRIME CONTRACTOR MAY BE DEEMED TO BE IN VIOLATION OF THE LWO AND SCWRO FOR FAILING TO ENSURE ITS SUBCONTRACTOR'S COMPLIANCE WITH THE ORDINANCES. THIS MAY RESULT IN WITHHOLDING OF PAYMENTS DUE THE PRIME CONTRACTOR, OR TERMINATION OF THE PRIME CONTRACTOR'S AGREEMENT WITH THE CITY.

THE PRIME CONTRACTOR MUST INFORM THEIR SUBCONTRACTORS OF THE FOLLOWING:

THE LIVING WAGE ORDINANCE (LWO) REQUIRES:

That a subcontractor (including a sublessee, a sublicensee, or a service contractor to a City financial assistance recipient) that works on or under the authority of an agreement subject to Living Wage Ordinance (LWO) **must comply with all applicable provisions of the Ordinance unless specifically approved for an exemption.**

THE LIVING WAGE ORDINANCE (LWO) REQUIRES THAT SUBJECT EMPLOYERS PROVIDE TO EMPLOYEES:

- As of July 1, 2016, a wage of at least **\$11.27 per hour with health benefits** of \$1.25 per hour, or **\$12.52 per hour without health benefits** (to be adjusted annually on July 1) (Regulation #4);
- At least **12 compensated days off per year** for sick leave, vacation or personal necessity at the employee's request (pro-rated for part-time employees) (Regulation #4);
- At least **10 additional days off per year of uncompensated time off** for sick leave (pro-rated for part-time employees) (Regulation #4); and
- Making **less than \$12.00 per hour** information of their possible **right to the federal Earned Income Tax Credit (EITC)** and make available the forms required to secure advance EITC payments from the employer (Regulation #4).

THE LIVING WAGE ORDINANCE (LWO) ALSO REQUIRES EMPLOYERS:

- To permit access to work sites for authorized City representatives to review the operation, payroll and related documents, and to provide certified copies of the relevant records upon request by the City.
- **Not to retaliate** against any employee claiming non-compliance with the provisions of these Ordinances and to **comply with federal law** prohibiting retaliation for union organizing (Regulation #4). Refer to the LWO Rules and Regulations, available from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) website - <http://bca.lacity.org>, for details regarding the wage and benefit requirements of the Ordinance.

TO BE FILLED OUT BY THE SUBCONTRACTOR:

1. Company Name: _____ Company Phone Number: _____
 2. Company Address: _____
 3. Type of Service Provided by Subcontractor to Prime: _____
 4. Amount of Subcontract: _____ Subcontract Start Date: ___/___/___ End Date: ___/___/___

By signing this Declaration of Compliance, the subcontractor certifies that it will comply with all applicable provisions of the SCWRO, LWO, and their implementing Rules and Regulations, including any amendments or revisions to the Ordinances and Regulations.

 Print Name of Person Completing This Form

 Signature of Person Completing This Form

 Title

 Phone #

 Date

LWO – EMPLOYEE INFORMATION FORM

REQUIRED DOCUMENTATION FOR ALL CONTRACTS SUBJECT TO LWO

This form must be submitted to the **AWARDING DEPARTMENT** within **30 DAYS** of contract execution. **INCOMPLETE SUBMISSIONS WILL BE RETURNED.**

THE LIVING WAGE ORDINANCE (LWO) REQUIRES THAT SUBJECT EMPLOYERS PROVIDE TO EMPLOYEES:

- As of July 1, 2016 a wage of at least **\$11.27 per hour with health benefits** of \$1.25 per hour, or **\$12.52 per hour without health benefits** (to be adjusted annually on July 1) (Regulation #4);
- At least **12 compensated days off per year** for sick leave, vacation or personal necessity at the employee's request (pro-rated for part-time employees) (Regulation #4); and
- At least **10 additional days off per year of uncompensated time off** for personal or immediate illness only (pro-rated for part-time employees) (Regulation #4). Refer to the LWO Rules and Regulations, available from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) website, for details regarding the wage and benefit requirements of the Ordinance.
- Making **less than \$12.00 per hour** information of their possible **right to the federal Earned Income Tax Credit (EITC)** and make available the forms required to secure advance EITC payments from the employer (Regulation #4).

THE LIVING WAGE ORDINANCE (LWO) ALSO REQUIRES EMPLOYERS:

- **Not to retaliate** against any employee claiming non-compliance with the provisions of these Ordinances and to **comply with federal law** prohibiting retaliation for union organizing (Regulation #4).

TO BE FILLED OUT BY THE CONTRACTOR:

1. Company Name: _____ Email Address: _____
2. **STATE** the number of employees working ON THIS CITY CONTRACT: _____
3. **ATTACH** a copy of your company's 1st PAYROLL under THIS CITY CONTRACT.
4. **INDICATE** (highlight, underline) on the payroll which employees are working ON THIS CITY CONTRACT.
5. Do you provide health benefits (such as medical, dental, vision, mental health, and disability insurance) to your employees? Yes No
If YES, **STATE** how much, if any, employees pay for co-premiums: \$ _____

FAILURE TO COMPLY WITH THESE REQUIREMENTS WILL RESULT IN WITHHOLDING OF PAYMENTS BY THE CITY CONTROLLER, OR A RECOMMENDATION TO THE AWARDING AUTHORITY FOR CONTRACT TERMINATION. ALL INFORMATION SUBMITTED IS SUBJECT TO VERIFICATION, AND FALSE INFORMATION MAY RESULT IN CONTRACT TERMINATION.

I understand that the employee information provided herein is confidential and will be used by the City of Los Angeles, Office of Contract Compliance for the purpose of monitoring the Living Wage Ordinance.

Print Name of Person Completing This Form

Signature of Person Completing This Form

Title

Phone #

Date

AWARDING DEPARTMENT USE ONLY:

Dept: _____ Dept Contact: _____ Contact Phone: _____ Contract #: _____

LWO – SUBCONTRACTOR INFORMATION FORM

REQUIRED DOCUMENTATION FOR ALL CONTRACTS SUBJECT TO LWO

This form must be submitted to the AWARDING DEPARTMENT within 30 DAYS of contract execution. **INCOMPLETE SUBMISSIONS WILL BE RETURNED.**

SECTION I: CONTRACTOR INFORMATION

- 1) Company Name: _____ Contact Person: _____ Phone Number: _____
- 2) Do you have subcontractors working on this City contract? Yes No
 If NO, **This form is now complete – SIGN THE BOTTOM OF PAGE 2 AND SUBMIT TO THE AWARDING DEPARTMENT.**
 If YES, a) **STATE** the number of your subcontractors ON THIS CITY CONTRACT: _____
 b) Fill in PART A for EACH subcontractor in Section II, continue to Section III & IV (if applicable), AND SIGN Section V.

SECTION II: SUBCONTRACTOR INFORMATION

PART A	PART B					
	CHECK OFF ONLY ONE BOX (I-VI) FOR EACH SUBCONTRACTOR (IF APPLICABLE) THEN CONTINUE ONTO SECTION III:					
	I 501 (c)(3) ¹	II One- Person Contractor ²	III CBA ³	IV Occupational License ⁴	V Small Business ⁵	VI Gov. entity ⁶
1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract IS SUBJECT TO THE LWO. Continue onto Part B. If you checked off NO for any questions 7 OR 8, this subcontract IS NOT SUBJECT TO THE LWO. Continue to fill in Part A for additional subs below.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract IS SUBJECT TO THE LWO. Continue onto Part B. If you checked off NO for any questions 7 OR 8, this subcontract is NOT SUBJECT TO THE LWO. Continue to fill in Part A for additional subs below.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract IS SUBJECT TO THE LWO. Continue onto Part B. If you checked off NO for any questions 7 OR 8, this subcontract is NOT SUBJECT TO THE LWO. Continue to fill in Part A for additional subs below.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SECTION II: SUBCONTRACTOR INFORMATION (continued)

PART A	PART B					
	CHECK OFF ONLY ONE BOX (I-VI) FOR EACH SUBCONTRACTOR (IF APPLICABLE) THEN CONTINUE ONTO SECTION III:					
	I 501 (c)(3) ¹	II One- Person Contractor ²	III CBA ³	IV Occupational License ⁴	V Small Business ⁵	VI Gov. entity ⁶

1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract IS SUBJECT TO THE LWO . Continue onto Part B . If you checked off NO for any questions 7 OR 8, this subcontract is NOT SUBJECT TO THE LWO . Continue to fill in Part A for additional subs below.	<input type="checkbox"/>					
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1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract IS SUBJECT TO THE LWO . Continue onto Part B . If you checked off NO for any questions 7 OR 8, this subcontract is NOT SUBJECT TO THE LWO .	<input type="checkbox"/>					
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SECTION III: SUBCONTRACTS SUBJECT TO THE LWO (AND MAY BE ELIGIBLE FOR EXEMPTIONS)

- 1) If you checked off any boxes in Part B, your Subcontractor(s) is subject to the LWO, but may qualify for an LWO exemption. Review the exemptions below, and have your subcontractor fill out the form in the corresponding right-hand column. **Continue to Section V**, and submit this form and all supporting documentation to the Awarding Department for approval.
- 2) If you did NOT check any boxes in Part B or your subs DO NOT qualify for an exemption, **Continue to Section IV**.

EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
One-person contractors, lessee, licensee 501(c)(3) non-profit organization	LW 13 – Departmental Exemption Form http://bca.lacity.org/index.cfm?nxt=ee&nxt_body=div_occ_lwo_forms.cfm
Occupational license required Collective bargaining agreement w/supersession language	LW 10 – OCC Exemption Form http://bca.lacity.org/index.cfm?nxt=ee&nxt_body=div_occ_lwo_forms.cfm
Small Business	LW 26 – Small Business Exemption Form (English & Spanish) http://bca.lacity.org/index.cfm?nxt=ee&nxt_body=div_occ_lwo_forms.cfm
Governmental Entity	NONE REQUIRED.

SECTION IV: SUBCONTRACTS SUBJECT TO THE LWO (AND NOT ELIGIBLE FOR EXEMPTIONS)

- Please have EACH of your Subcontractors that ARE SUBJECT to the LWO fill out the three forms below. Submit LW-6 and LW-18 ONLY to the Awarding Department (and supporting documentation, where applicable) and RETAIN LW-5 in your office.
- 1) Employee Information Form LW 6 - http://bca.lacity.org/index.cfm?nxt=ee&nxt_body=div_occ_lwo_forms.cfm
 - 2) Subcontractor Information Form LW 18 - http://bca.lacity.org/index.cfm?nxt=ee&nxt_body=div_occ_lwo_forms.cfm
 - 3) Subcontractor Declaration of Compliance Form (retain) LW 5 - http://bca.lacity.org/index.cfm?nxt=ee&nxt_body=div_occ_lwo_forms.cfm

SECTION V: SIGNATURE

I understand that the Subcontractor Information provided herein is confidential and will be used by the City of Los Angeles, Office of Contract Compliance for the purpose of monitoring the Living Wage Ordinance.

Print Name of Person Completing This Form	Signature of Person Completing This Form
Title	Date
Phone #	

AWARDING DEPARTMENT USE ONLY:

Dept: _____ Dept Contact: _____ Contact Phone: _____ Contract #: _____

ENDNOTES FOR LWO SUBCONTRACTOR INFORMATION FORM

¹ **Non-Profit 501(c)(3) Organizations:** A corporation claiming exemption under Section 10.37.1(g) of the LWO as a corporation organized under Section 501 (c)(3) of the United States Internal Revenue Code must provide the following additional documents in support of the application for exemption:

(A) A copy of the most recent IRS letter indicating that the contractor has been recognized as a non-profit corporation organized under section 501 (c)(3) of the United States Internal Revenue Code.

(B) An application for non-coverage or exemption, including the non-profit salary certification on the form referred to in Appendix A. The salary certification must list the salary of the corporation's chief executive officer (CEO), computed on an hourly basis, and the hourly wage rate of the lowest paid worker in the corporation. The salary of the CEO, when computed on an hourly basis, must be less than 8 times what the lowest paid worker is paid on an hourly basis. For purposes of this exemption, the "chief executive officer (CEO)" means the CEO of the 501(c)(3) corporation that entered into the agreement

² **One-Person Contractor:** A contractor may apply for exemption under Section 10.37.1(f) of the LWO if that contractor has no employees. The one-person contractor shall submit an application for non-coverage or exemption to the awarding authority on the form referred to in Appendix A with the appropriate one-person contractor certification. If, subsequent to the approval of the exemption application, the contractor hires any employees, the exemption is no longer valid. Any employee the contractor hires becomes covered by the LWO to the extent that the employee performs work on the City agreement. In such cases, the contractor shall notify the awarding authority of the change in circumstances and submit to the awarding authority all the necessary forms to comply with the LWO reporting requirements, including the employee and subcontractor information forms.

³ **Exemption by Collective Bargaining Agreement – LAAC 10.37.12:** An employer subject to provisions of the LWO may, by collective bargaining agreement (CBA), provide that the CBA, during its term, shall supersede the requirements of the LWO for those employees covered by the CBA. The provisions of the LWO should not be interpreted to require an employer to reduce the wages and benefits required by a collective bargaining agreement. All parties to the CBA must specifically waive in full or in part the benefits required by the LWO. An employer applying for this exemption shall submit a copy of the CBA. If the CBA does not specifically indicate that the LWO has been superseded, the employer shall submit written confirmation from the union representing the employees working on the agreement that the union and the employer have agreed to let the CBA supersede the LWO.

(A) **Provisional Exemption from LWO during negotiation of CBA:** An employer subject to the LWO may apply for Provisional Exemption from the LWO if the employer can document that: (1) the union and the employer are currently engaged in negotiations regarding the terms of the CBA; and (2) the issue of allowing the CBA to supersede the LWO has been proposed as an issue to be addressed during the negotiations. If granted, Provisional Exemption status is valid until the end of the negotiation process, including, if applicable, impasse resolution proceedings. During the negotiation process, the employer shall provide, upon request from the OCC, status reports on the progress of negotiations. At the end of the negotiation process, the employer shall provide the OCC with a copy of the final CBA to verify whether the LWO has been superseded, and the effective dates of the CBA.

(i) If the final CBA signed by the employer and the union supersedes the LWO, the employer shall be considered to be exempt from the LWO's wage and benefits provisions for the time period covered by the effective dates of the superseding CBA. The employer remains subject to all applicable provisions of the LWO for the time period not covered by the superseding CBA. If the employer has not complied with the LWO requirements during the time period not covered by the superseding CBA, the employer shall be required to make retroactive corrections for any period of non-compliance, which may include making retroactive payments to affected employees for the relevant periods of non compliance.

(ii) If the final CBA signed by the employer and the union does not supersede the LWO, the employer shall be required to comply with all applicable LWO requirements, including the wage and benefits provisions. Compliance shall also be required retroactively to the date that the employer first became subject to the LWO. If necessary, the employer shall provide retroactive payments to affected employees for any time period during which the employer did not comply with the LWO.

⁴ **Occupational license - LAAC 10.37.1(f): Exemptions for Employees Requiring Occupational Licenses:** If an employer claims that the LWO does not apply to an employee pursuant to section 10.37.1(f) because an occupational license is required of the employee to perform the work, the employer shall submit to the awarding authority, along with the application for non-coverage or exemption, a list of the employees required to possess an occupational license, the type of occupational license required, and a copy of the occupational license itself. An exemption granted under this provision exempts only the employee who must possess an occupational license to perform work on the City agreement. If an occupational license is not required of an employee to perform the work, the employee remains covered by the LWO.

⁵ **Small Business Exemptions for Public Lessees and Licensees – LAAC 10.37.1(i):** A public lessee or licensee claiming exemption from the LWO under section 10.37.1(i) shall submit the small business application for exemption form referred to in Appendix A along with supporting documentation to verify that it meets both of the following requirements:

(A) The lessee's or licensee's gross revenues from all business(es) conducted on the City premises for the calendar year prior to the date of the application for exemption do not exceed the gross annual revenue amount set by the LWO in Section 10.37.1(i). That gross revenue amount shall be adjusted annually according to the requirements of the LWO. The gross revenue amount used in evaluating whether the lessee or licensee qualifies for this exemption shall be the gross revenue amount in effect at the time the OCC receives the application for exemption.

A public lessee or licensee beginning its first year of operation on a specific City property will have no records of gross annual revenue on the City property. Under such circumstances, the lessee or licensee may qualify for a small business exemption by submitting proof of its annual gross revenues for the last tax year prior to application no matter where the business was located, and by satisfying all other requirements pursuant to these regulations and the LWO.

A lessee or licensee beginning its first year of operation as a business will have no records of gross annual revenue. Under such circumstances, the lessee or licensee may qualify for a small business exemption by satisfying all other requirements pursuant to these regulations and the LWO.

(B) The lessee or licensee employs no more than seven (7) employees.

(i) For purposes of this exemption, a lessee or licensee shall be deemed to employ a worker if the worker is an employee of a company or entity that is owned or controlled by the lessee or licensee, regardless of where the company or entity is located; or if the worker is an employee of a company or entity that owns or controls the lessee or licensee, regardless of where the company or entity is located.

Whether the lessee or licensee meets the seven (7) employee limit provided for in Section 10.37.1(i) of the LWO shall be determined using the total number of workers employed by all companies or businesses which the lessee or licensee owns or controls, or which own or control the lessee or licensee. Control means that one company owns a controlling interest in another company.

(ii) If a business operated by the lessee or licensee is part of a chain of businesses, the total number of employees shall include all workers employed by the entire chain of businesses unless the business operated by the lessee or licensee is an independently owned and operated franchise.

(iii) A public lessee or licensee shall be deemed to employ no more than seven (7) employees if its entire workforce (inclusive of those employees falling within the guidelines stated in subsections (i) and (ii) immediately above) worked an average of no more than 1,214 hours per month for at least three-fourths of the time period that the revenue limitation provided for in section 10.37.1(i) is measured.

Until the OCC approves the application for exemption, the lessee or licensee shall be subject to the LWO and shall comply with its requirements. If the OCC approves the application, the lessee or licensee shall be exempt from the requirements of the LWO for a period of two years from the date of the approval. The exemption will expire two years from the date of approval, but may be renewable in two-year increments upon meeting the requirements.

⁶ **Governmental Entities – LAAC 10.37.1(g):** Agreements with governmental entities are exempt from the requirements of the LWO. If an agreement is exempt from the LWO because the contractor is a governmental entity, subcontractors performing work for the governmental entity on the agreement are also exempt.

SLAVERY DISCLOSURE AFFIDAVIT

SECTION R
SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt, in accordance with the provisions of the Slavery Disclosure Ordinance, any contract awarded pursuant to this RFP will be subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code.

All Proposers shall complete and electronically sign the Slavery Disclosure Ordinance Affidavit available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at www.labavn.org prior to award of a City contract.

Proposers seeking additional information regarding the requirements of the Slavery Disclosure Ordinance may visit the Bureau of Contract Administration's web site at www.bca.lacity.org.

Required Insurance and Minimum Limits

Name: RFP - Golf Management and Reservation System

Date: 01/06/2017

Agreement/Reference: Acquisition and Implementation of a Golf Management and Reservation System

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)

WC Statutory

EL \$1,000,000

Waiver of Subrogation in favor of City

Longshore & Harbor Workers

Jones Act

General Liability

\$1,000,000

Products/Completed Operations

Sexual Misconduct

Fire Legal Liability

Automobile Liability (for any and all vehicles used for this contract, other than commuting to/from work)

\$1,000,000

Professional Liability (Errors and Omissions)

\$5,000,000

Discovery Period See Note #3

Property Insurance (to cover replacement cost of building - as determined by insurance company)

All Risk Coverage

Boiler and Machinery

Flood

Builder's Risk

Earthquake

Pollution Liability

Surety Bonds - Performance and Payment (Labor and Materials) Bonds

100% of the contract price

Crime Insurance

Other: 1) If a contractor has no employees and decides to not cover herself / himself for worker's compensation, please complete the form entitled "Release for Waiver of Workers' Compensation Insurance Requirement" located at <http://cao.lacity.org/risk/InsuranceForms.htm>

2) In the absence of imposed auto liability requirement, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California.

3) Professional Liability Insurance to include: Tech Errors & Omissions, Cyber Privacy and Data Breach.

CITY OF LOS ANGELES

INSTRUCTIONS AND INFORMATION ON COMPLYING WITH CITY INSURANCE REQUIREMENTS

(Share this information with your insurance agent or broker)

1. **Agreement/Reference** All evidence of insurance must identify the nature of your business with the CITY. Clearly show any assigned number of a bid, contract, lease, permit, etc. or give the project name and the job site or street address to ensure that your submission will be properly credited. Provide the **types of coverage and minimum dollar amounts** specified on the Required Insurance and Minimum Limits sheet (Form Gen. 146) included in your CITY documents.

2. **When to submit** Normally, no work may begin until a CITY insurance certificate approval number ("CA number") has been obtained, so insurance documents should be submitted as early as practicable. For **As-needed Contracts**, insurance need not be submitted until a specific job has been awarded. **Design Professionals** coverage for new construction work may be submitted simultaneously with final plans and drawings, but before construction commences.

3. **Acceptable Evidence and Approval** Electronic submission is the best method of submitting your documents. **Track4LA**[®] is the CITY's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the **ACORD 25 Certificate of Liability Insurance** in electronic format – the CITY is a licensed redistributor of ACORD forms. Track4LA[®] advantages include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA**[®] at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf.

Insurance industry certificates other than the ACORD 25 that have been approved by the State of California may be accepted, however **submissions other than through Track4LA[®] will significantly delay the insurance approval process as documents will have to be manually processed.** All Certificates must provide a thirty (30) days' cancellation notice provision (ten (10) days for non-payment of premium) AND an Additional Insured Endorsement naming the CITY an additional insured completed by your insurance company or its designee. If the policy includes an automatic or blanket additional insured endorsement, the Certificate must state the CITY is an automatic or blanket additional insured. An endorsement naming the CITY an Additional Named Insured and Loss Payee as Its Interests May Appear is required on property policies. All evidence of insurance must be authorized by a person with authority to bind coverage, whether that is the authorized agent/broker or insurance underwriter. Completed **Insurance Industry Certificates other than ACORD 25 Certificates** are sent electronically to CAO.insurance.bonds@lacity.org.

Additional Insured Endorsements DO NOT apply to the following:

- Indication of compliance with statute, such as Workers' Compensation Law.
- Professional Liability insurance.

Verification of approved insurance and bonds may be obtained by checking **Track4LA**[®], the CITY's online insurance compliance system, at <http://track4la.lacity.org>.

4. **Renewal** When an existing policy is renewed, have your insurance broker or agent submit a new Acord 25 Certificate or edit the existing Acord 25 Certificate through **Track4LA**[®] at <http://track4la.lacity.org>.

5. **Alternative Programs/Self-Insurance** Risk financing mechanisms such as Risk Retention Groups, Risk Purchasing Groups, off-shore carriers, captive insurance programs and self-insurance programs are subject to separate approval after the CITY has reviewed the relevant audited financial statements. To initiate a review of your program, you should complete the Applicant's Declaration of Self Insurance form (<http://cao.lacity.org/risk/InsuranceForms.htm>) to the Office of the City Administrative Officer, Risk Management for consideration.

6. **General Liability** insurance covering your operations (and products, where applicable) is required whenever the CITY is at risk of third-party claims which may arise out of your work or your presence or special event on City premises. **Sexual Misconduct** coverage is a required coverage when the work performed involves minors. **Fire Legal Liability** is required for persons occupying a portion of CITY premises. Information on two CITY insurance programs, the SPARTA program, an optional source of low-cost insurance which meets the most minimum requirements, and the Special Events Liability Insurance Program, which provides liability coverage for short-term special events on CITY premises or streets, is available at (www.2sparta.com), or by calling (800) 420-0555.

7. **Automobile Liability** insurance is required only when vehicles are used in performing the work of your Contract or when they are driven off-road on CITY premises; it is not required for simple commuting unless CITY is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

8. **Errors and Omissions** coverage will be specified on a project-by-project basis if you are working as a licensed or other professional. The length of the claims discovery period required will vary with the circumstances of the individual job.

9. **Workers' Compensation and Employer's Liability** insurance are not required for single-person contractors. However, under state law these coverages (or a copy of the state's Consent To Self Insure) must be provided if you have any employees at any time during the period of this contract. Contractors with no employees must complete a Request for Waiver of Workers' Compensation Insurance Requirement (<http://cao.lacity.org/risk/InsuranceForms.htm>). **A Waiver of Subrogation** on the coverage is required only for jobs where your employees are working on CITY premises under hazardous conditions, e.g., uneven terrain, scaffolding, caustic chemicals, toxic materials, power tools, etc. The Waiver of Subrogation waives the insurer's right to recover (from the CITY) any workers' compensation paid to an injured employee of the contractor.

10. **Property Insurance** is required for persons having exclusive use of premises or equipment owned or controlled by the CITY. **Builder's Risk/Course of Construction** is required during construction projects and should include building materials in transit and stored at the project site.

11. **Surety** coverage may be required to guarantee performance of work and payment to vendors and suppliers. A **Crime Policy** may be required to handle CITY funds or securities, and under certain other conditions. **Specialty coverages** may be needed for certain operations. For assistance in obtaining the CITY required bid, performance and payment surety bonds, please see the City of Los Angeles Bond Assistance Program website address at <http://cao.lacity.org/risk/BondAssistanceProgram.pdf> or call (213) 258-3000 for more information.

2016 to 2020

City of Los Angeles Golf Division STRATEGIC PLAN

The City of Los Angeles Golf System is a source of pride for Residents. This Strategic Plan highlights the goals and objectives the City has established for its Golf System over the next five years (2016 through 2020) and outlines the action steps necessary to achieve them.



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CITY OF LOS ANGELES GOLF DIVISION
2016 to 2020



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OVERVIEW

Over the course of 2015, the City of Los Angeles Golf Division ("the City" or "the Golf Division") undertook a comprehensive strategic planning process, facilitated by Global Golf Advisors Inc. ("GGA") in order to develop an action-oriented Strategic Plan to help guide the Golf Division's operations over the next five years, 2016 through 2020. City Facilities that this Plan encompasses include:

1. Rancho Park (18-hole and 9-hole par-3 facilities)
2. Griffith Park Complex (18-hole Wilson and 18-hole Harding facilities)
3. Sepulveda Complex (18-hole Encino and 18-hole Balboa facilities)
4. Woodley Lakes (18-hole facility)
5. Hansen Dam (18-hole facility)
6. Harbor Park (9-hole regulation facility)
7. Penmar (9-hole executive facility)
8. Roosevelt (9-hole executive facility)
9. Los Feliz (9-hole par-3 facility)
10. Tregnan (Academy and 3-hole facility)
11. Holmby Park (18-hole pony course facility)

The Strategic Plan herein is supported by detailed data-driven research and analysis completed by GGA with input from City management, Golf Advisory Committee ("GAC") members and City golfers at large. The following activities were executed over the past year in support of this Strategic Plan:

1. Site Visits and Facility Tours - Each Golf Facility
2. Management Interviews and Golf Advisory Committee Meetings
3. Market Analysis
4. Operational Analysis
5. Information Systems Review
6. Online Web Review
7. Golfer Focus Groups
8. Patron Survey

The results of these procedures helped GGA, City Management and the GAC identify various opportunities which the City can take advantage of in order to better serve the community and achieve its fiscal objectives. These opportunities consist of changes both within the City's internal operations, as well as changes to the value proposition on the customer's end.



KEY OPPORTUNITIES

The City of Los Angeles owns and operates a large and enviable portfolio of well-situated golf properties that enjoy a loyal following of core resident golfers. The Golf Division has been witness to a steady decline in rounds played at all of its facilities over the past ten years in the face of steadily rising operating costs and mounting deferred capital expenditures now evident at all facilities. Over the years, certain components of each of the facilities' operations have been outsourced to varying degrees and to varying third party concessionaires (food and beverage services, golf shop retail operations, driving range operations and lessons programming).

The City has both the opportunity and the ability to redefine itself in the marketplace and enhance its brand through an improved offering and strategic consolidation or outsourcing of operations across all facilities. A new 'Standard of Excellence' has been defined and will consist of faster pace-of-play, improved course conditioning and a broader range of facility offerings.

Define 'Standard of Excellence'

Establish the standards of quality the City wishes to achieve across all facilities.

Improve Value Proposition

Undertake the necessary capital improvements to achieve raised standards, and provide LA golfers with an enhanced municipal golf experience.

Maintain 'Standard of Excellence'

Maintain quality standards through the development of an Agronomic Plan and implementation of a new management standard.

Operational Opportunities



I. Information Technology

The City can realize efficiencies in marketing, communications, and operations by leveraging technology.

- The City, like many municipal golf course operators, is far behind the global technology curve - especially from a real-time, fully integrated reporting perspective and a customer relationship management and interface perspective.
- The current operating systems are largely inadequate from a reporting perspective and do not include a sophisticated online booking engine integrated with a Customer Relationship Management ("CRM") system. A fully-integrated CRM system is considered to be an absolute necessity for public golf course operators to efficiently and effectively compete in their respective markets.



II. Pace-of-Play

There is an opportunity to immediately improve pace-of-play through the adoption of industry best practices.

- Pace-of-play is a common issue that City courses struggle with, given the busy nature of municipal golf facilities and typically shorter tee-time intervals. However, there are a number of techniques that can help alleviate slow pace-of-play with immediate effect. Some of these techniques include increasing tee-time intervals, proper starter procedures, hazard markings, drop areas, increased marshalling and pace-friendly pin-placements.



III. Non-resident Engagement

There is an opportunity to boost Non-resident play by discarding the communication of Resident and Non-resident rates, as Non-residents are currently being deterred from LA Golf facilities due to the current pricing structure.

- The City's facilities are located within a close proximity to the administrative boundaries of the City. Consequently, some golfers may reside less than one mile from a given facility, yet be deemed 'Non-residents' because they do not reside within the administrative boundary. As a result, the delineation of Resident and Non-resident rates is driving 'Non-resident' golfers away from City courses.
- On average, 27%, 34%, and 49% of people are deemed Non-residents within a 5-mile, 10-mile, and 20-mile radial respectively surrounding each City of LA Golf facility, while Non-resident rounds played currently average less than 14% of all rounds played annually.
- The Patron Survey ("Survey") revealed that 33% of participants have a friend who avoids City courses because they have been deemed to be a Non-resident.





IV. Yield Management and Dynamic Pricing

Rounds played can be increased at City courses through the adoption of dynamic pricing.

- One of the most prominent trends to impact the golf industry over the past decade has been the adoption of a dynamic pricing model at daily fee golf courses.
- Dynamic pricing allows golf facilities to increase utilization by matching supply and demand for a given tee-time. The greatest impact of rounds increases are generally seen during off-peak times.
- The Survey indicates that roughly 30% of patrons use a third party booking engine to book their tee-times at non-City courses.



V. Customer Loyalty and Rounds Utilization

As a whole, City of LA golfers are highly loyal. There is an opportunity to reward loyalty and further reinforce this important characteristic.

- Municipal facilities often enjoy strong loyalty given the inherent community ties and vested interests of the residents. The core golfers at City courses are highly loyal, playing 58% of their total annual rounds at City courses on average.
- Customer loyalty is a highly valuable asset to any business; and as such, should be protected. Loyalty passes and rewards are commonplace in the City of LA golf market.
- Survey results indicate that more than two-thirds (70%) of respondents would be interested in a Loyalty or Rewards Pass program if offered.



VI. Golf Cart Pricing

There is an opportunity to increase golf cart revenue through price restructuring, as dictated by the market.

- The City has a single cart rider fee as well as a double rider fee. This pricing structure is not ideal, since golfers who are not sharing a cart are penalized with a higher rate.
- City of LA golf cart rates are slightly below market levels for comparable facilities.

	<p>VII. Marketing and Communications</p> <p><i>There is an opportunity to improve communication and transparency with patrons.</i></p>	<ul style="list-style-type: none"> • Customers and shareholders are synonymous in a municipal operation. High transparency and clear communication instills a sense of belonging and ownership for golfing residents, and subsequently increases satisfaction. • Currently, one in ten patrons know what group is responsible for making management changes to City of LA golf facilities, while just over half (56%) of Survey respondents indicated that they do not know, but would like to know. • More than three-quarters (83%) of Survey respondents are unaware of when repairs, facility improvements, and facility maintenance are being scheduled.
	<p>VIII. Driving Range Facilities</p> <p><i>The City is able to generate strong revenue and successfully manage driving ranges independently. There is an opportunity to boost net income of the City by discarding third party management contracts.</i></p>	<ul style="list-style-type: none"> • The City currently has contractual arrangements in place to receive 30% of gross receipts from the driving ranges operated by third party groups. However; on average, the City is able to retain 65% of revenues after expenses from the driving range facilities that it self-operates. These include the driving ranges at Rancho Park, Hansen Dam, and Woodley Lakes. • The driving ranges at the Sepulveda Golf Complex (Encino/Balboa) and the Griffith Park Golf Complex (Wilson/Harding) are both currently operated by third parties; it is clear that these driving ranges are a lost opportunity. • In the long-term, the City should explore potential sponsorship opportunities that add considerable capital to the facilities and generate even greater revenue opportunities for the self-operated ranges.
	<p>IX. Pro Shop Retail and Services</p> <p><i>There is an opportunity to simultaneously increase individual course revenue and improve golfer satisfaction by incorporating pro shop merchandise and services into individual facility operations.</i></p>	<ul style="list-style-type: none"> • Golf equipment and apparel is an important revenue stream, especially for municipal facilities which tend to experience higher traffic. Currently, third party concessionaires are not fully capitalizing on potential merchandise sales at City facilities. • Survey results indicate that half of respondents would make use of professional golf club fitting services, and direct-order merchandise from a major manufacturer, if such services were offered. Seven in ten (71%) respondents indicated that they would make purchases through the pro shop if it was open for business.

X. Food and Beverage Offerings



There is an opportunity to boost revenue with a more robust food and beverage offering at City courses.

- Like merchandise sales, food and beverage concessions are important revenue streams for high-traffic facilities. The Survey indicates that 85% of patrons make use of food and beverage concessions at City courses.
- Just under half (45%) of the Survey respondents indicated that there are not a sufficient number of food/drink vending machines at City of LA facilities. Additionally, more than half (59%) of patrons would prefer to have more food and beverage roving trucks on the course.
- 'Food/Beverage – Halfway House and Mobile Cart experience' was one of the most common criteria failing to meet customer expectations at patron facilities, according to the Survey.

XI. Non-Golf Related Facility Use



There is an opportunity to leverage facility space to generate non-golf related revenue.

- Parking lots at certain properties have the capability to be a sole source of revenue without impacting golf operations.

Governance Opportunities

XII. Performance Management and Education



There is an opportunity to improve education, support and monitoring systems to help foster continuous improvement.

- Sound governance is necessary in order to achieve long-term strategic goals and ultimately success, in any organization.
- Performance management systems and a commitment to continuous education and improvement are helpful to best manage City assets and keep the City operations at the forefront of industry trends.



Facility Opportunities



XIII. Capital Improvements

There is an opportunity to invest in capital improvements and considerably enhance the patron experience at City of LA Golf facilities, as City golfers are willing to pay more for an improved golf experience.

- Fairways and the areas around some of the greens at City golf courses are in poor condition, and several of the City of LA golf facilities have outdated irrigation systems which restrict laborers from completing other daily maintenance tasks. Consequently, 'Golf Course Conditions' is one of the most common criteria failing to meet customer expectations, according to the Survey, which is a result of failing infrastructure and limited resources.
- Survey results indicate that patrons are willing to pay more for a higher quality golf experience. Roughly seven out of ten (70%) respondents indicated that they would be willing to pay more if golf course conditions were significantly improved, while 55% expressed a willingness to pay more if pace-of-play was significantly improved.
- Patrons are willing to pay approximately 8% more for improved course conditions, and 5% more for improved pace of play, on average.



XIV. Unprofitable Facilities

There is an opportunity to significantly reduce maintenance expenses by releasing operational control of unprofitable properties.

- One of the Golf Division's key objectives is to maintain and operate quality golf courses, facilities, and programs on a financially self-sustaining basis.
- Holmby Park and the Tregnan Academy are consistently unprofitable with a low probability of producing positive cash flow. As a result, the Golf Division should consider releasing operational control of these facilities to satisfy its objective of being fiscally responsible.



XV. Alternative Funding Sources

There is an opportunity to raise funding for capital projects and community programs through potential Grant/Donor/Sponsorship.

- Grant/donor/sponsorship funding for large scale capital projects may be attainable in exchange for public recognition or naming rights.
- Grant/donor/sponsorship funding is most successful when the project can have a significant and positive impact on the community, i.e. Junior Golf programs.

STRATEGIC PRIORITIES

Throughout GGA's engagement with the City, the following strategic recommendations permeated the majority of findings and input received from all key stakeholders, including golfers, and have guided the development of the goals and objectives described herein. These strategic priorities will be used as central 'pillars' for helping to guide the implementation of this Strategic Plan.

I. Fortify the Brand Authority of the City of Los Angeles

- LA is a worldwide and world-recognized brand.
- Golf should be as much a part of the brand value as the film industry, the Clippers, Dodgers, Ducks, Kings and Lakers.
- Require excellence in public golf operations and management.
- Better serve City of LA golfers.

II. Expand the Reach of the City Golf Courses

- Implement a dynamic pricing model to maximize access to and use of tee-times and increase utilization.
- Accelerate marketing capabilities for each golf asset portfolio.
- Implement current Customer Relationship Management capabilities to increase demand, frequency of use and capture-of-wallet metrics.

III. Maximize Asset Value

- Implement highest-and-best-use standards for City-owned courses.
- Abandon outdated business model to leverage traffic and earning-power of golf asset portfolio.
- Modify financial model for golf asset portfolio.
- Implement upgraded asset care and upkeep standards.

MISSION STATEMENT

The Mission Statement for the City of LA Golf Courses is considered relevant and appropriate; however, given the Strategic Priorities outlined herein, will be updated to include the desire to be recognized the world-over for superior municipal golf facilities and programs.

The existing Mission Statement is shown below, with a suggested amendment highlighted in **bold** text:

The City of Los Angeles, Department of Recreation and Parks, Golf Division maintains and operates seven 18-hole golf courses, three 9-hole golf courses, two 9-hole 3-par golf courses, one 18-hole pony course and a state-of-the-art Junior training facility. The Mission of the Golf Division is to provide well-maintained, accessible, and affordable golf courses for the enjoyment of the game of golf for City of Los Angeles residents. An emphasis is placed on developing the game of golf for youth. **The Golf Division should strive to be recognized the world-over for superior municipal golf facilities and exceptional programs for its patrons.**

The primary objectives of the Golf Division are:

- ▶ Maintain and operate quality golf courses, facilities, and programs on a financially self-sustaining basis;
- ▶ Provide affordable golf facilities and programs now and into the future;
- ▶ Ensure a safe and enjoyable outdoor recreational opportunity for community residents; and,
- ▶ Provide leadership as environmental stewards of the City's golf properties.

The Golf Division should add the Mission Statement to the website in a prominent location and continuously reinforce the messaging in all communications.



STRATEGIC GOALS AND OBJECTIVES

Summary

NEAR-TERM GOALS AND OBJECTIVES (2016-2017)

Near-term goals and objectives for the Golf Division in 2016 and 2017 are summarized by category below and detailed in the following sections of this report.

I. INFORMATION TECHNOLOGY

- a. Source and implement a robust and fully-integrated customer and operations management system.

II. PACE-OF-PLAY

- a. Continue to work with the USGA on Pace-of-Play and implement studied recommendations.
- b. Increase tee-time interval to eight minutes.
- c. Improve presence of tee checkers on the first tee to enhance tee-time management.
- d. Reinstitute a volunteer Marshal program.
- e. Undertake a playability review on all courses and ensure all hazards are clearly painted and staked.
- f. Map pin placements to improve playability and speed pace-of-play.

III. NON-RESIDENT ENGAGEMENT

- a. Eliminate the use of different rates for Residents and Non-residents.

IV. YIELD MANAGEMENT AND DYNAMIC PRICING

- a. Implement a sophisticated yield management program that includes dynamic pricing.
- b. Implement new advanced group booking fee and explore credit card requirements for other patrons.

V. GOLF CART PRICING

- a. Restructure golf cart pricing.

VI. LOYALTY PROGRAM

- a. Develop, brand and offer a 'Golf Loyalty' program.

VII. MARKETING AND COMMUNICATIONS

- a. Develop and publish a schedule of planned improvements, course activities and regular communications.
- b. Engage in a collaborative marketing effort called "content marketing".
- c. Develop, continually maintain, and enhance the City of LA Golf Courses' presence and communications on social media outlets.
- d. Develop on-going customer feedback process.
- e. Develop standardized customer service training programs for employees.
- f. Develop a 'secret shopper' customer service follow-up program.
- g. Develop and improve ability to attract new market segments.
- h. Explore branding, including City of Los Angeles-branded items.

VIII. DRIVING RANGE FACILITIES

- a. End all third party management agreements for City-owned driving ranges and develop transition plan.

IX. PRO SHOP RETAIL AND SERVICES

- a. Fill existing vacant Golf Operations Supervisor role with experienced Golf Professional.
- b. End pro shop concession agreements.
- c. Take back pro shop operations and re-organize starter operations.
- d. Plan for inventory, revenue and expense requirements associated with pro shop operations.
- f. Develop a world-renowned grass roots lessons and teaching program.

X. FOOD AND BEVERAGE OFFERINGS

- a. Develop and implement a contingency plan for food and beverage operations and trial service options.
- b. Do not include banquet operations for tournaments in any new food and beverage concession agreements.
- c. Seek out large scale restaurant chains to reinvigorate the food and beverage offerings in the long-term.

XI. NON-GOLF RELATED FACILITY USE

- a. Charge for parking at the Roosevelt parking lot.

XII. PERFORMANCE MANAGEMENT AND EDUCATION

- a. Maintain current Golf Advisory Committee structure.
- b. Commit to and fund an education platform for key management.
- c. Develop and implement a comprehensive performance dashboard to monitor and continuously improve operations.

XIII. CAPITAL IMPROVEMENTS

- a. Implement a capital contribution surcharge on every round.
- b. Fund and address all deferred capital needs as quickly as possible via Municipal Bonds.
- c. Fund annual capital maintenance expenses through operations.
- d. Continue to maintain Capital Reserve Fund and utilize a portion of existing funds to offset business interruption costs.
- e. Complete a comprehensive Capital Reserve Study and prioritize capital projects.
- f. Create and deploy a capital maintenance squad to work on capital related items across all facilities.
- g. Develop and implement a comprehensive agronomic plan.

XIV. UNPROFITABLE FACILITY SOLUTIONS

- a. Transfer responsibility for Holmby Park to the Parks Branch of the Department of Recreation and Parks.
- b. Lease, rent or solicit corporate sponsor to fully cover operating costs of Tregnan Academy.

XV. ALTERNATIVE FUNDING SOURCES

- a. Actively solicit private grant and donor funding.



LONGER-TERM GOALS AND OBJECTIVES (2018 AND BEYOND)

Longer-term goals and objectives for the Golf Division in 2018 are summarized by category below and detailed in the following sections of this report.

VIII. DRIVING RANGE FACILITIES

- b. Explore potential for large scale third party partnership opportunities in the long-term.

IX. PRO SHOP RETAIL AND SERVICES

- e. Seek out a large scale third party retailer, distributor or manufacturer to partner with in the long-term.

IV. YIELD MANAGEMENT AND DYNAMIC PRICING

- c. Test fivesomes at Woodley Lakes.

XIII. CAPITAL IMPROVEMENTS

- h. Upgrade all driving ranges.



Operations Details

I. INFORMATION TECHNOLOGY

Significantly enhance information technology use and capabilities to realize efficiencies in marketing, communications, and operations.

- a. **Source and implement a robust Customer Relationship Management (“CRM”) system that is fully integrated with a tee-time reservations system and point-of-sale system** - It is imperative for the City to continue keeping an updated and well-maintained database of customers, golfers, and players of City of LA golf facilities. The City must improve its ability to efficiently and effectively track its service relationships with unique golfers, especially as it relates to golfer loyalty and tracking.

The following are suggested software requirements that the City should consider when determining which operations software system to implement:

- Fully-integrated system from a single source vendor;
- Sophisticated CRM and integrated sales and marketing solution;
- Fully-integrated Loyalty program tracking and management solution;
- Comprehensive tee sheet management system with online booking capabilities;
- Fully-integrated point of sale with secure payment processing and inventory management system;
- Sophisticated web functionality and presence;
- Robust administrative capabilities and system integrations; and,
- Continuous user training programs and comprehensive user training aids.

Please see attached Golf Information Systems Review for further details on key trends and recommendations.

II. PACE-OF-PLAY

Adopt proven techniques and best practices to improve pace-of-play at all facilities, while protecting revenue.

- a. **Continue to Work with USGA on Pace-of-Play and Implement Studied Recommendations** – The City should continue its work with the USGA to improve pace-of-play and implement the USGA's (studied) recommendations.

- b. **Increase Tee-Time Interval to Eight Minutes** - The City should raise the tee-time interval to an evenly spread eight minutes and make every effort to sell every tee-time, regardless of time of day (i.e. no need to let course clear before twilight). A tee-time interval lower than eight minutes has adverse effects on pace-of-play and significantly damages the golf experience for patrons. This will require the City to stop selling pacing times in the tee sheet through a third party. The City should work with third party tee time resellers to develop a mutually beneficial relationship under the new tee-time intervals. Integration with third party tee-time resellers should be part of the City's evaluation and requirements for a new information system. Once pace-of-play improves and all tools are functioning properly, the City should experiment with a seven/eight minute split interval to add capacity and normalize revenue.
- c. **Improve Presence of Tee Checkers on the First Tee to Enhance Tee-Time Management** – The City should add a Starter to the first tee at each of the regulation courses. Starters can be stationed on the first tee in a weather-protected starter cart in order to effectively greet golfers, control start times to improve pace-of-play, and ensure only paying customers tee-off. Once technology is advanced at the City of LA courses, these Starters should have the ability to check-in golfers (who have pre-paid online or paid via their mobile device) via a handheld device integrated information system.
- d. **Re-institute a Volunteer Marshal Program** - The City should re-institute an on-course volunteer Marshal program in order to help improve pace-of-play. The Marshal should work with the First Tee Starter and be in constant communication with the Starter to monitor pace-of-play and help to address issues before or as they arise.
- e. **Undertake a Playability Review on All Courses and Ensure All Hazards are Clearly Painted and Staked** – The City should conduct a review to identify bottlenecks on each course where pace-of-play typically slows, and address any playability/layout issues that may be contributing to bottlenecks. The review will include hazards to ensure they are clearly painted and staked, as well as yardage plates being visible and installed on all tees and along all fairways. Lateral hazards will always feature a drop area on the other side of the hazard, and local rules will require its use.
- f. **Map Pin Placements to Improve Playability and Speed of Pace-of-Play** - Superintendents should work with Golf Professionals and the management team to strategically map pin placements to improve pace-of-play, leaving a flat area of no less than three feet all around each pin placement where possible. This practice will especially be used in bottleneck areas of a given golf course.



III. NON-RESIDENT ENGAGEMENT

Improve Non-resident engagement and utilization of City of LA Golf Division facilities by amending the current pricing structure and discarding the Resident and Non-resident rates.

- a. **Eliminate Resident and Non-resident rates** - Green fee rates should not change depending on whether a golfer lives inside or outside of the administrative boundaries of the City.

IV. YIELD MANAGEMENT AND DYNAMIC PRICING

Adopt yield management best practices and dynamic pricing at all City of LA Golf Division facilities in order to increase rounds utilization and revenue across the entire golf system.

- a. **Implement a Sophisticated Yield Management Program that includes Dynamic Pricing** - Implement a sophisticated yield management program and dynamic pricing model at all City courses utilizing the new information system to be implemented.

Assuming that a pure dynamic pricing model (whereby there is no upper limit on price) is not feasible for the Golf Division due to the City's mission to maintain affordable and accessible golf for all residents, GGA recommends the approval of only a price ceiling with requirements on key metrics related to revenue yield per round in order to allow for the implementation of an active yield management program. This policy will allow the prices for tee-times to adjust to demand within the defined price range.

A comprehensive Market Study was conducted (attached) to determine what the upper end of market rates are for City of LA facilities. These 'market rates' will be used as the 'Price Ceilings' and will not necessarily be the posted peak rates, as it will be important for the City to adjust pricing to market over a period of time.

Accordingly, the City should adjust pricing in 2016 to reflect to the proposed peak rate pricing shown in Table 1 on the following page – which are below the 'Price Ceiling' rates that are shown in Table 2 - and increase these rates annually at the pace of inflation (estimated to be 1.8% per year) - or above if supported by demand with the flexibility to increase rates all the way up to the 'Price Ceiling'. This small incremental annual price increase strategy will effectively allow the City to demonstrate improvements that will help justify the rate increases. These improvements – as identified throughout this Plan – include critical areas that patrons indicated they would be willing to pay more for, i.e. pace-of-play and improved conditions.

Table 1: Recommended 2016 Pricing Adjustments

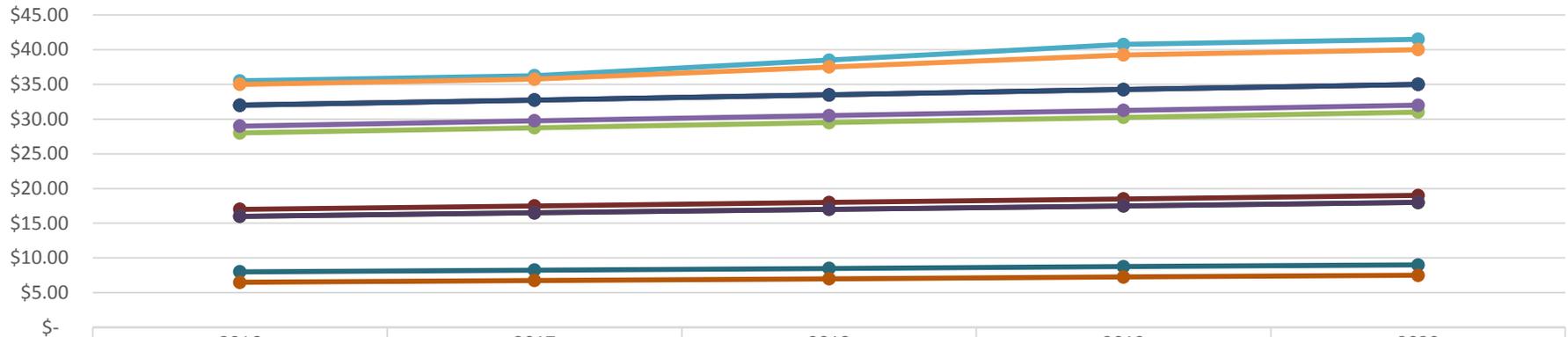
Facility	2015 MON - THUR		Proposed 2016 MON – THUR Posted Peak Rates	2015 FRI		Proposed 2016 FRI Posted Peak Rates	2015 SAT – SUN / HOL		Proposed 2016 SAT – SUN / HOL Posted Peak Rates
	Res	Non- Res		Res	Non- Res		Res	Non- Res	
Encino	\$30.00	\$35.00	\$32.00	\$34.00	\$39.00	\$36.00	\$40.00	\$45.00	\$42.00
Balboa	\$30.00	\$35.00	\$32.00	\$34.00	\$39.00	\$36.00	\$40.00	\$45.00	\$42.00
Woodley Lakes	\$30.00	\$35.00	\$28.00	\$34.00	\$39.00	\$32.00	\$40.00	\$45.00	\$38.00
Hansen Dam	\$30.00	\$35.00	\$29.00	\$34.00	\$39.00	\$33.00	\$40.00	\$45.00	\$39.00
Rancho Park 18	\$33.00	\$38.00	\$35.50	\$37.00	\$42.00	\$39.50	\$43.00	\$48.00	\$45.50
Wilson	\$33.00	\$38.00	\$35.00	\$37.00	\$42.00	\$39.00	\$43.00	\$48.00	\$45.00
Harding	\$30.00	\$35.00	\$32.00	\$34.00	\$39.00	\$36.00	\$40.00	\$45.00	\$42.00
Harbor Park	\$16.00	\$16.00	\$17.00	\$18.50	\$18.50	\$19.50	\$21.00	\$21.00	\$22.00
Penmar	\$14.50	\$17.50	\$16.00	\$16.75	\$19.75	\$18.25	\$19.00	\$22.00	\$20.50
Roosevelt	\$14.50	\$17.50	\$16.00	\$16.75	\$19.75	\$18.25	\$19.00	\$22.00	\$20.50
Rancho Park 9	\$7.00	\$7.00	\$8.00	\$7.50	\$7.50	\$8.50	\$8.00	\$8.00	\$9.00
Los Feliz	\$5.50	\$5.50	\$6.50	\$6.25	\$6.25	\$7.25	\$7.00	\$7.00	\$8.00

Above and beyond the annual inflationary increases, the City should add a total of \$3 and \$2 over a period of two years to the Rancho Park 18 and Wilson rates respectively, after significant capital and operational improvements have been implemented. Note: the City should have the ability to increase all rates and fees, green fees or otherwise at the pace-of-inflation every year without requiring additional approvals. Please see Appendix C for detailed pricing sheets.

While the pricing adjustments may appear to be disadvantageous to residents, it should be noted that the Resident rates were only available to residents that purchased a 'Resident Card' at \$10 for the year; Resident rates have not been increased in five years and the Non-resident rates were historically above market. As well, and more importantly, the Loyalty program, that has also been recommended by GGA, will help to reduce the impact of the real dollar rate increases for anyone who participates and plays a certain amount of golf at City courses. The Loyalty program will provide benefits that include the ability to earn free rounds of golf. Please see the Loyalty program detailed in the following pages.

Charts 1 through 3 that follow, provide an estimate of the peak rate adjustments over the next five years. It should be noted that the pricing adjustments include both market adjustments, as the City rates have not been increased in five years and market factors have changed for certain facilities, as well as the addition of a 'Capital Surcharge', to be separated and used exclusively for capital improvements at the golf facilities.

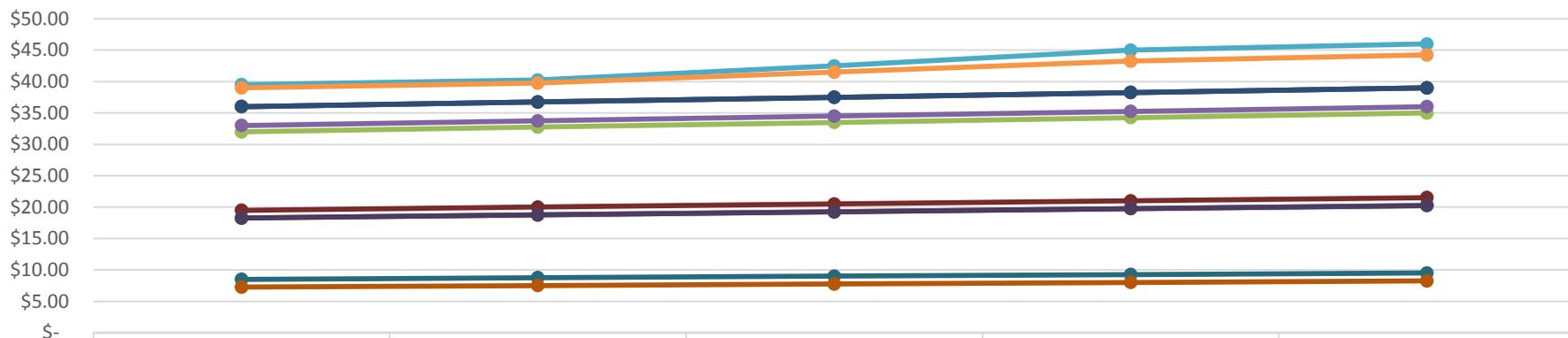
Chart 1: 5-Year Peak Rate Growth Estimates (1.8% Inflation) - Monday through Thursdays



	2016	2017	2018	2019	2020
			Mon-Thurs		
Encino	\$32.00	\$32.75	\$33.50	\$34.25	\$35.00
Balboa	\$32.00	\$32.75	\$33.50	\$34.25	\$35.00
Woodley Lakes	\$28.00	\$28.75	\$29.50	\$30.25	\$31.00
Hansen Dam	\$29.00	\$29.75	\$30.50	\$31.25	\$32.00
Rancho Park 18	\$35.50	\$36.25	\$38.50	\$40.75	\$41.50
Wilson	\$35.00	\$35.75	\$37.50	\$39.25	\$40.00
Harding	\$32.00	\$32.75	\$33.50	\$34.25	\$35.00
Harbor Park	\$17.00	\$17.50	\$18.00	\$18.50	\$19.00
Penmar	\$16.00	\$16.50	\$17.00	\$17.50	\$18.00
Roosevelt	\$16.00	\$16.50	\$17.00	\$17.50	\$18.00
Rancho Park 9	\$8.00	\$8.25	\$8.50	\$8.75	\$9.00
Los Feliz	\$6.50	\$6.75	\$7.00	\$7.25	\$7.50

- Encino
- Balboa
- Woodley Lakes
- Hansen Dam
- Rancho Park 18
- Wilson
- Harding
- Harbor Park
- Penmar
- Roosevelt
- Rancho Park 9
- Los Feliz

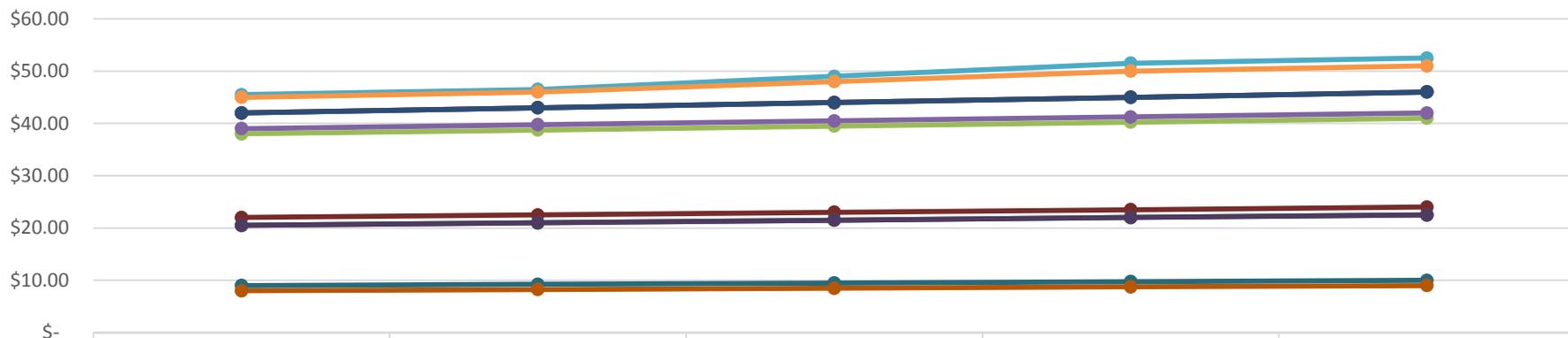
Chart 2: 5-Year Peak Rate Growth Estimates (1.8% Inflation) - **Fridays**



	2016	2017	2018 Fri	2019	2020
Encino	\$36.00	\$36.75	\$37.50	\$38.25	\$39.00
Balboa	\$36.00	\$36.75	\$37.50	\$38.25	\$39.00
Woodley Lakes	\$32.00	\$32.75	\$33.50	\$34.25	\$35.00
Hansen Dam	\$33.00	\$33.75	\$34.50	\$35.25	\$36.00
Rancho Park 18	\$39.50	\$40.25	\$42.50	\$45.00	\$46.00
Wilson	\$39.00	\$39.75	\$41.50	\$43.25	\$44.25
Harding	\$36.00	\$36.75	\$37.50	\$38.25	\$39.00
Harbor Park	\$19.50	\$20.00	\$20.50	\$21.00	\$21.50
Penmar	\$18.25	\$18.75	\$19.25	\$19.75	\$20.25
Roosevelt	\$18.25	\$18.75	\$19.25	\$19.75	\$20.25
Rancho Park 9	\$8.50	\$8.75	\$9.00	\$9.25	\$9.50
Los Feliz	\$7.25	\$7.50	\$7.75	\$8.00	\$8.25

- Encino
- Balboa
- Woodley Lakes
- Hansen Dam
- Rancho Park 18
- Wilson
- Harding
- Harbor Park
- Penmar
- Roosevelt
- Rancho Park 9
- Los Feliz

Chart 3: 5-Year Peak Rate Growth Estimates (1.8% Inflation) - Weekends and Holidays



	2016	2017	2018 Sat-Sun	2019	2020
Encino	\$42.00	\$43.00	\$44.00	\$45.00	\$46.00
Balboa	\$42.00	\$43.00	\$44.00	\$45.00	\$46.00
Woodley Lakes	\$38.00	\$38.75	\$39.50	\$40.25	\$41.00
Hansen Dam	\$39.00	\$39.75	\$40.50	\$41.25	\$42.00
Rancho Park 18	\$45.50	\$46.50	\$49.00	\$51.50	\$52.50
Wilson	\$45.00	\$46.00	\$48.00	\$50.00	\$51.00
Harding	\$42.00	\$43.00	\$44.00	\$45.00	\$46.00
Harbor Park	\$22.00	\$22.50	\$23.00	\$23.50	\$24.00
Penmar	\$20.50	\$21.00	\$21.50	\$22.00	\$22.50
Roosevelt	\$20.50	\$21.00	\$21.50	\$22.00	\$22.50
Rancho Park 9	\$9.00	\$9.25	\$9.50	\$9.75	\$10.00
Los Feliz	\$8.00	\$8.25	\$8.50	\$8.75	\$9.00

- Encino
- Balboa
- Woodley Lakes
- Hansen Dam
- Rancho Park 18
- Wilson
- Harding
- Harbor Park
- Penmar
- Roosevelt
- Rancho Park 9
- Los Feliz

In order to effectively implement a yield management and dynamic pricing program, it is important for the City to avoid requiring specific approvals for all prices charged (including posted peak rates), and thus not require the Board of the Recreation & Parks Commission to approve a comprehensive rates and fees manual. Instead, GGA has recommended that the Golf Division obtain the needed approvals from the Board of the Recreation & Parks Commission for a maximum price – or 'Ceiling Price' - only along with other approvals consistent with the following key points:

1. **Approval of a Ceiling Price with Annual Inflationary Increases to Provide Flexibility and Enable Yield Management and Dynamic Pricing** - Approve a maximum rate, or 'Ceiling Price' for green fees on a per course basis that the Golf Division's pricing is not able to eclipse in any one calendar year. This Price Ceiling will be based on market factors, exclusive of the desire for the City to offer accessible and affordable golf to residents, and thus likely higher than the posted peak rates.

Recommended Ceiling Prices from GGA's work that factor in market forces as of 2015 are shown in Table 2 on the following page.

The Ceiling Price should automatically increase each year at the pace of inflation until such time that market forces change substantially and another formal pricing analysis is conducted.

The Ceiling Prices should be considered available to the Golf Division for pricing of non-club tournaments and events throughout the year.

These **rates will not be posted publicly**, but will provide the Golf Division with the flexibility needed to implement a component of dynamic pricing whereby rates that are above the regular posted peak rates are available to be charged for periodic/limited special events and tournaments. As these types of activities limit tee-times available to the general public, it is important to charge a premium and to ensure golfers understand that the revenue from these events help to maintain on-going financial sustainability and capital maintenance at the City facilities. This program will allow the City to generate additional revenue and help support operations and capital.

Table 2: Recommended Ceiling Price Approval Levels

Facility	Ceiling Price (green fees)
Encino	\$45.00
Balboa	\$45.00
Woodley Lakes	\$41.00
Hansen Dam	\$42.00
Rancho Park 18	\$51.50
Wilson	\$50.50
Harding	\$45.00
Rancho Park 9	\$10.00
Harbor Park	\$25.00
Penmar	\$23.00
Roosevelt	\$23.00
Los Feliz	\$9.00
Tournaments	\$77.25

2. **Latitude for Adequately Supported Adjustments to the Ceiling Price** - Build-in latitude for a market re-evaluation and reset of rates on an annual basis should the Golf Division believe market forces have shifted substantially. This may entail an increase in Price Ceiling rates which must be supported by adequate third-party research and analysis and require additional approvals.
3. **Directive to Implement All Elements of an Effective Yield Management Program, Including Dynamic Pricing** – The goal of an effective yield management system is to fill every available tee-time at the highest price the market is willing to pay in order to play.

The most effective yield management programs leverage dynamic pricing, which avoids posting a long stratified price list with a large number of different green fee rates for various times of the day.

Successful programs require periodic specials and discounts to be developed and pushed out to the market on relatively short notice via all available channels based on constant tee sheet analysis. In order to be effective,

these 'distribution channels' must be established and effective – think of e-mail distribution lists, social media followers and radio spots, among others.

Yield management requires active management of the tee sheets and rates. Technology systems are becoming more and more sophisticated and use algorithms to move rates based on demand; however, this is not common in the industry just yet. As well, as a matter of protecting affordable access for residents, the City is likely to not implement a purely dynamic demand-based model whereby prices for peak times are consistently escalated beyond posted rates based on demand. Accordingly, the tee sheet should be constantly monitored and analyzed in order to identify times of opportunity to release special pricing for specified times in order to utilize all available inventory.

The first objective is to fill the tee sheet for each course at the highest possible rate. Once the tee sheet is full – or reasonably near full – management will begin to increase the variable rate to test and measure the elasticity of price within its targeted audience.

This approach does not suggest discounting the prices of tee-times that are already being successfully filled, nor does this approach suggest that the Course is desperate. This approach demonstrates that the Course is responding to market conditions and making a realistic response to current economic conditions.

In order to effectively manage a yield management program, key performance indicators must be readily available and monitored to allow for quick and decisive action.

Relevant performance indicators include percentage booked, percentage open, percentage sold, revenue per round and revenue per round as a percentage of the average posted peak rate with target levels for each. It is critical for the City to develop a measure of utilization versus a real operating capacity (that considers only available tee-times based on daylight hours and tee-time intervals), while also factoring in unplayable days/times due to weather, course closure for maintenance or other issues, etc. As an example, the net rate per round as a percentage of the average posted peak rate target should be 75% overall, which is the mid-point of the benchmark range.

The information system utilized by the City must be sophisticated enough to track and report key performance indicators and allow for advanced tee sheet management. Management should review the tee sheet 24 to 72



hours out, and develop and test various promotions throughout the year designed to fill open periods on the tee sheet.

The City should be cautious to avoid running the same specials at the same time each week, as golfers may begin to learn the patterns and wait for the specials to play their rounds. Specials should vary in type and time every week. In order to be effective, it will be important for clear guidelines and reference points to be established on pricing and discount levels in order to help guide management to an appropriate net rate outcome.

4. **Ability to Offer Any Range of Discounts, Specials, Packages and Promotions Below Ceiling Price** – As part of the yield management directive, provide the Golf Division with the ability to offer services and access for any price below the set Ceiling Price, including the ability to offer services and access for no charge (free) as part of any number of programs or specials. That being said, the Golf Division's ability to offer these discounts should be contingent on their capability to monitor a critical key performance indicator: overall net rate per round percentage – measured as 'actual revenue received per round'/'average posted peak rate' – and require this indicator to remain higher than 65% at all times, with a target of 70% to 80%.

This measurement is a key requirement and ingredient in an effective yield management program and provides feedback to the City with respect to the effectiveness of the program. Should overall yield drop below 65%, management must reduce the size and scope of discounting and special promotions, and vice versa. Should the overall yield rise above 80%, management must slowly increase the size and scope of discounting or risk a significant reduction in utilization and an erosion of affordable golf.

Each year, when next year's pricing is evaluated, this yield indicator should play an important role: If both yield and utilization increase substantially in any given year, and yield is trending to the top end of the 70% to 80% benchmark, it is likely that the posted peak rates are too low for the market. Conversely, if both yield and utilization decrease substantially in any given year, and yield is trending to the bottom end or below the benchmark range, it is likely that the posted peak rates are too high for the market.

- b. **Implement a New Advanced Group Booking Fee and Explore Credit Card Requirements for Other Patrons** – In an effort to protect tee sheet integrity and avoid last minute cancellations, the City should implement a non-refundable advanced group booking fee of \$10 (more than one foursome). This should only be applicable for golfers that are not Loyalty pass holders. As well, charge a non-refundable \$5 advanced booking for golfers that are NOT Loyalty program participants; and in the long-run, investigate the ability to eliminate the \$5 reservation charge by requiring a credit card to be held on file and charged the full amount of the booking for no-shows and cancellations within 24-hours of the tee-time.
- c. **Test Fivesomes Only at Woodley Lakes and Only if Yield Management and Dynamic Pricing Fail to Boost Rounds and Revenue in the Next Two Years** – Fivesomes are not considered to be best practice; however, may be an option at courses that are more playable and thus have a greater opportunity to add an additional golfer to a group without dramatically slowing pace-of-play. Fivesomes can also be a helpful marketing tactic for courses more geared towards family golf.

V. GOLF CART PRICING

Restructure golf cart pricing to market in order to increase revenue.

- a. **Restructure Golf Cart Pricing** - It is recommended that the City discard single and double rider cart fees, and rather have a single 'per seat' rate of \$14 per 18-holes, which is in line with market rates, while maintaining the existing pricing structure at Harbor Park with an increase of \$2 to \$12 per cart.



VI. LOYALTY PROGRAM

Reinforce golfer loyalty and bolster utilization by developing and implementing a new Golfer Loyalty program that provides escalating value to golfers as their frequency of play at City courses increases.

- a. **Develop, Brand and Offer a ‘Golf Loyalty’ Program** – Participation in the ‘Golf Loyalty’ program should be offered for a fixed annual fee. Annual participation in the program should provide access to both immediate benefits, as well as to benefits that accrue throughout the year as the golfer plays more rounds at City of LA courses. The City should seek out a sponsor for the Loyalty program - such as an airline company - to brand the program in order to both generate considerable sponsorship dollars for the Golf Division, as well as to provide additional benefits to participants.

The core objective of the program should be: To increase paid full-fee rounds played at the City-owned courses.

Table 3: Suggested Loyalty Pass Features and Restrictions

Category	Price	Features	Restrictions
Loyalty	\$15 (↑ to \$20 by 2020)	<ul style="list-style-type: none"> ▶ Play 10 18-hole equivalent rounds of golf at any City of LA facility and receive 1 free. ▶ Access to periodic special discount offers on green fee rates of up to 15% not available to the public. ▶ Access to special promotional discounts on merchandise and concessions not available to the public. ▶ Access to other periodic specials and events not available to the public. 	<ul style="list-style-type: none"> ▶ Annual program that fully resets every year. ▶ Free/No-Charge rounds: <ul style="list-style-type: none"> ○ Earned rounds should not carry-over to future years. ○ Standard tee-time reservations rules apply. ○ League and Club events are included as round credits. ○ No limits on which golf courses can be played or on which courses the free rounds can be used, with one caveat: Rancho 18 and Wilson are excluded on weekends and holidays. ○ Loyalty points are specific to number of holes played, not facility, i.e. 24 paid 9-hole rounds = 1 free 18-hole round or 2 free 9-hole rounds. ○ Advanced booking does not include group bookings.
Advanced Loyalty (Advanced Reservation Privileges)	\$30 (↑ to \$40 by 2020)	<p><u>Advanced Loyalty:</u></p> <ul style="list-style-type: none"> ▶ Advanced booking privileges of 16 days, only if you participate in the Advanced Loyalty program (otherwise 5 days without pass). ▶ 5 Loyalty points towards first free round as initial special offer to increase participation. 	

Cease offering multi-year Player Cards immediately; and at the time of Loyalty Program implementation, grandfather existing multi-year Player Card holders for the number of years remaining on current Card, and increase Card price annually at inflation. The program should be reviewed independently at the conclusion of each golf year.

VII. MARKETING AND COMMUNICATIONS

Expand and enhance marketing and communications to drive revenue and improve transparency with patrons.

- a. **Develop and Publish a Schedule of Planned Improvements, Course Activities and Planned Communications** - The City should develop and publish a schedule of planned course closures and course improvements, and send e-mail blasts out to its Loyalty Pass holders each year explaining everything that is being done and how everything is being funded, i.e. via the Capital Surcharge funding mechanism. This will do great things to reinforce the fact that their loyalty is being rewarded through continuous facility improvements. This will be accomplished through increased newsletters, highlighting important calendar dates, events, and changes in policy or service changes. Using a CRM platform to address patron communication is ideal, and will be an important aspect of the previously discussed Information Systems' goals and objectives.
- b. **Engage in a Collaborative Marketing Effort Called "Content Marketing"** - Content marketing is an efficient – relatively low-cost – and effective method of showing the life and spirit of City of LA Golf. In order to accomplish successful content marketing the City must take three-steps:
 - First, it will establish internal media capabilities, such as website locations and hard-copy sources.
 - Second, the City should begin to regularly develop unique content – especially photographs, videos, personal stories, and endorsements from popular organizations and figures – that relate specific LA Golf stories to the public at large.
 - And, third, the City should develop the capacity to serve as the curator of this information. The City should use its content to engage local and regional lifestyle media – such as tourism and business travel programs, publications, and institutions – and national media to show expansive golf offerings on a public fee basis.

The following actions were recommended by GGA in order for the City to begin enhancing its marketing capabilities and reach:

- Build a City of LA Golf library or portfolio of content that can be used by travel and business publications in and around the City of Los Angeles. These include the Visitor's Bureau, Chamber of Commerce, Tourism and Convention Board, as well as publicists from travel, tourism, and lifestyle segments. Any organization that publishes information about activities, happenings, gatherings, or socialization in Los Angeles, should have content available that speaks to the quantity and affordability of golf available on a public fee basis.

- The City should hire professional photographers on a bundled-course basis to capture and develop media content that will be used to supply content marketing pieces. Ensure that the City has an expansive portfolio of high-quality, high-resolution images that showcase courses at their very best and highlight various amenities, facilities, and offerings that should be expected upon a visit to City courses.
 - Similarly, the City should hire professional videographers to develop a variety of videos that showcase aspects of City of LA courses such as tournament promotions, and recaps Junior Golf event highlight reels, drone-angle course fly-overs, the City skyline at sunset, and even videos that depict ongoing maintenance and construction efforts on the courses. These videos should be between 45 seconds and two minutes in length and should be professionally shot, developed, and edited. Once developed, these videos should be aggressively shared in e-blasts to golfers, on the City of LA golf website, Facebook, and Twitter pages.
- c. **The City should Develop, Continually Maintain, and Enhance its Presence and Communications on Social Media Outlets** - The City should focus on refining and developing its presence on Facebook, Twitter, Instagram, and peer-review sites such as Yelp and TripAdvisor. Additionally, the City should also explore targeted advertisement services through Facebook; and over time, optimize the demographic configuration of the campaign resulting in the best possible conversion rates and ultimately, ROI for online advertising.
- d. **Develop On-going Customer Feedback Process** - It is essential for the City to develop, implement, and regularly monitor a process for customer feedback. The importance of data-driven decision making cannot be stressed enough – the best way to discover what customers and golfers want is to ask them - they will be honest. The customer feedback process will be integrated within the fully updated informational system; ideally soliciting feedback in the form of an email the day following a reservation or scheduled round of golf. The following aspects are considered as essential to the method of customer feedback:
- Easy – The system should be simple, quick, and intuitive to use. It should be able to be completed right from the body of an email and not require users to visit the City of LA golf website (although a feedback form should be available there as well).
 - Automated – Feedback should automatically be solicited under pre-determined schedules and templates, arriving in golfers' inboxes the day after their scheduled round. Once their feedback is submitted, they should immediately receive an email confirming receipt of their feedback, thanking them for contributing, and encouraging them to return or visit another City course.
 - Reporting – the method should have a seamless capacity to track and store feedback and report findings to management. Feedback is most meaningful when it is reviewed, implemented, and addressed. Collecting feedback to no end will not serve golfers or the City. The reporting feature should be course-specific in order to identify key issues and suggestions in a localized manner; but, the reporting capacity should be integrated.

- e. **Develop Standardized Customer Service Training Programs for Employees** - Discussions with City of LA Golf management revealed restrictions and limitations on the hiring of new employees for the Golf Division. In light of these limitations, it is extremely important to invest in existing staff and retain quality personnel if quantity is restricted:
- The City should source training program structures and materials from the hospitality industry including hotel businesses, chain restaurants, and catering companies.
 - The City should make customer service training mandatory for all employees. If unable to make such training mandatory, there should be tiered payment offerings based on the level of training received.
 - It is imperative that the City track, recognize, and reward exceptional customer service. The City must incentivize employees to sustain a level of quality commensurate with the City of LA golf brand.
- f. **Develop a Secret Shopper Customer Service Follow-up Program** - In order to ensure investment into customer service is being effectively implemented and sustained, the City should consider developing a Secret Shopper customer service program. These programs place key shoppers at specific locations in order to measure the quality of experience. First, the shoppers are briefed on the level of trained service and quality expected; and upon their arrival, treat their visit as any other patron. After their visit the shoppers record and submit ratings and feedback of specific areas of customer service as well as the overall customer experience.
- g. **Develop and Improve Ability to Attract Events that Cater to New Market Segments** - The City cannot continue to solely rely on individual golfers or foursomes to generate revenue for City courses. The City should strive to improve its ability to both attract and host events that cater to key market segments and demographics that are uniquely different from the standard daily City of LA golfer.
- The City should develop a program for the active solicitation to use City of LA courses as locations for movie shoots and commercials. The popularity of Harrison Ford's plane crash at Penmar went viral because it was Harrison Ford, not because a plane crashed on a golf course. Located in the epicenter of movie industry, actors, and Hollywood itself, the City should leverage its proximity to studios and businesses that serve the movie industry to be paid to serve as a location for shoots. There is great bargaining potential in that City of LA courses are in the immediate vicinity and provide a favorable alternative to shipping or moving equipment and personnel to different shooting locations.
 - The City of Los Angeles is presently a nominee for the 2024 Olympics. This presents an uncommonly valuable possibility for the City to attract a vast array of non-local golfers; and more importantly, to put on display the quality and availability of City of LA golf courses. Los Angeles is one of the most widely recognized, revered, and traveled to cities on the planet; it is the location of Hollywood and the proving ground for all things media; it is one of the largest cities in the United States and the international image of the state of California. City of LA should hold as its goal the



placement of City of LA golf as the best public golf in the country. The potential of the Olympics allows the City to elevate this goal to put LA on the map as providing some of the best public golf in the world.

- The City should foster an aggressive strategy around Junior Golf programs and competitions with a focus on making Los Angeles recognized as the leading city for promoting Junior Golf. The existing tournaments hosted at several City courses and the Tregnan Academy offer a terrific starting point for this initiative.
 - Junior golfers provide tremendous upside potential for the City in the way that, if captured, they can be customers for life. Furthermore, Juniors bring others into play in circumstances where many adult golfers do not – Juniors have parents, friends, teammates, schoolmates, neighbors, aunts, uncles, grandparents, and cousins. To access a Junior is to access a whole host of family and social networks that could very easily be drawn into golf participation alongside their Junior. If the City of LA wins the kids, it wins the mothers; if the City wins the mothers, it wins the game.
 - The City should seek to integrate and align other, non-golf related youth sports leagues and organizations with City of LA golf. There are various soccer leagues, Little League baseball organizations, basketball associations, swim teams, and after-school programs that have the sole purpose of getting and keeping young people engaged. The City should promote golf within these organizations as an off-season sport, as a bonding opportunity between parents and children, and even use small matches, putting competitions, and driving range games to draw these organizations to City facilities. There may be great opportunity to host end-of-season parties and celebrations at specific Clubs in various areas of the greater Los Angeles area.
 - The City should become aggressive at seeking and recruiting events which demonstrate that City of LA golf courses are female friendly. Each course should regularly have special promotions and offerings that attract women to the courses, putting greens, and driving ranges. These should be implemented in the form of rotating promotions at specific courses to spread out golf demand and to expose female golfers to a variety of City courses until they find their favorite.
- h. **Explore Branding, Including City of Los Angeles-branded Items** - The Survey results indicate that City of LA golfers are loyal to City courses and are extremely loyal to the nearest course, even favoring one as a 'home' course at times. There is a strong opportunity to reward the loyalty of these patrons by making City of LA branded items and apparel available for purchase at courses, online, and even to be earned as a complimentary reward for participation in a special event, winning a promotional offering, participating in a tournament, or winning League play. Not only does it provide a sense of community and loyalty with the City's most frequent golfers and best customers, it provides the opportunity for City of LA golf apparel to be worn around Los Angeles. There is a substantial opportunity to integrate branded items and apparel with Junior programs, clinics, and events.

VIII. DRIVING RANGE FACILITIES

Enhance and move to self-operate all driving ranges in the short-term to improve Golf Division revenues and net income.

- a. **End All Third Party Management Agreements for City-Owned Driving Ranges and Develop Transition Plan** - The City of LA should end all existing third-party driving range agreements at the Sepulveda Golf Complex (Encino/Balboa) and the Griffith Park Golf Complex (Wilson/Harding) as soon as possible, given existing contracts and obligations. In the immediate term, the City should develop a transition plan to reduce downtime during the change of management from the third parties back to the City.
- b. **Explore Potential for Large Scale Third Party Partnership Opportunities in the Long-term** – Given the excellent location of its properties, the City of LA may have the opportunity to convert their driving range facilities into larger entertainment complexes in partnership with a large scale third party entity. Any opportunities must be sufficient in size and scale to significantly improve the annual net income directly to the City, beyond what on-going self-operation of all ranges produces, and limit the City's capital contribution requirements while also providing expanded and enhanced service to both its core golfer patrons and other City of LA residents alike.



IX. PRO SHOP RETAIL AND SERVICES

Increase individual course revenue and improve golfer satisfaction by incorporating enhanced pro shop merchandise and services into individual facility operations.

- a. **Fill Existing Vacant Golf Operations Supervisor Role with Experienced Golf Professional** - Management requires a Golf Professional with significant experience in the golf industry; the current structure is missing a dedicated Golf Professional to oversee strategy and operations. The City should consider occupying the currently vacant role of 'Golf Operations Supervisor' with someone who possesses the skills and experience which meet this criteria. This will be an important position to help implement operational recommendations with respect to merchandise, Marshals, First Tee Starters, playability and a grass roots lessons program.
- b. **End Pro Shop Concession Agreements** - The City should end all existing pro shop concession agreements when and as soon as possible, given existing contracts and obligations. In the immediate term, the Golf Division will take back pro shop operations as well as the sale of accessories and merchandise at all of its facilities.
- c. **Take Back Pro Shop Operations and Re-Organize Starter Operations** - It is important that the City initially control and manage the sale of basic golfer accessories (balls, tees, gloves, hats) and limited merchandise (only at appropriate locations) at each of its facilities in order to ensure on-going and continuous customer service at all times. This will require that the City move starters into the pro shops, creating an area with a counter where concessionary items and accessories can be easily displayed and purchased with green fees.

As part of the deferred capital projects, the City should revisit its physical plant layout at each course, especially as it relates to pro shop attendants/starters and the ability to sell both green fees and merchandise/accessories. The most efficient and effective customer service solution would be for golfers to be able to purchase food and beverage incidentals and golf merchandise accessories, as well as pay for green fees and other golf service related fees, in a centralized location that could be staffed by a single employee. In this scenario it would be a City employee who would collect and manage payments from a central desk within an appropriately assigned pro shop/concessions space.

- d. **Plan for Inventory, Revenue and Expense Requirements Associated with Pro Shop Operations** - The City should anticipate very limited inventory requirements and should plan for revenues to begin around the \$0.55 to \$0.60 per round mark, increasing over the next few years as the City improves its offering and golfers begin to rely on the Courses

for accessories, to \$1.50 or more per round. The City should also anticipate a cost of sales on merchandise revenue to be 65% to 75%.

- e. **Seek Out a Large Scale Third Party Retailer, Distributer or Manufacturer to Partner With in the Long-Term** - Over the medium to longer-term, the Golf Division will set out to find a single large-scale third party retailer, distributor or manufacturer to partner with in order to stock the pro shops with hard goods and soft goods and help with merchandising in order to offer golf equipment and larger merchandise for sale, as well as to develop fitting centers at appropriate locations. This should also include online merchandising of City of LA logo'd merchandise, which will likely increase in popularity as the City's Golf program and brand increase in popularity over the coming years. Due to the limited viability of selling equipment and larger merchandise at a number of the City facilities, it will be important to structure an agreement with only one organization across all facilities and to require a certain level of services to be offered and maintained at select locations that the City deems appropriate, in order for said organization to secure the contract. The most effective arrangement would be for the City to manage sales in the pro shop using the existing attendant resources, and to distribute proceeds to the partner. The City would retain a portion of the net proceeds from sales, benchmarked at 20% to 25%.
- f. **Develop a World-Renowned Grass Roots Lessons and Teaching Program** - It is of critical importance to the overall strategy that the City develop a world-renowned grass roots teaching program that encourages participation among all City residents. The City should design and implement a sophisticated lessons program that includes certifying and managing all teaching professionals who provide lessons to golfers at City facilities.

The City should deploy its new technology platform to manage reservations and payment in exchange for a percentage of lessons revenue. This percentage should range from 20% to 25%. All lessons revenue will be collected and managed by the City. The City should use its share of lessons revenue to cover the cost of administering the program, and set aside a portion of all net proceeds (after administrative costs), to fund range and teaching facility enhancements.

The software program for reservations will also need to have a feature for people to rate their instructor and to view instructor ratings when looking to book a lesson. This program will be considered a break-even proposition, with all proceeds redirected back into improving the program and related facilities - which will encourage both golfers and instructors alike - to engage as continuous improvements are evidenced.

X. FOOD AND BEVERAGE OFFERINGS

Improve patron satisfaction and food and beverage revenue with a more robust offering at City courses.

- a. **Develop and Implement a Contingency Plan for Food and Beverage Operations and Trial Service Options** - All food and beverage concession contracts at City courses are currently month-to-month, which provides an excellent opportunity to develop and implement a comprehensive strategy while maintaining flexibility in the short-term to effectively test the markets via pilot programs.

In the immediate-term, the City should act to ensure there are food and beverage offerings available at every facility and should develop a contingency plan for the short to medium-term while the City explores large-scale options.

Contingency plans should include a short list of approved and qualified on-demand vendors (food trucks, caterers, vending machine providers, etc.) that the City can call on in the event of a service disruption or increased need at any of its facilities on short notice. The City should explore the potential of structuring short-term service permits with successful food truck operators, who would pay the City a lease rate to set-up operations during designated times, at each City facility that currently does not offer golfers any form of food and beverage service.

- b. **Do Not Include Banquet Operations for Tournaments in Any New Food and Beverage Concessions Agreements** - Any new food and beverage agreements formed with concessionaires will not include banquet operations. The City should take back banquet operations to boost tournament sales. Food and beverage offerings at such events will be catered to allow for greater coordination and packaging of tournaments.
- c. **Seek out Large Scale Restaurant Chains to Reinvigorate the Food and Beverage Offerings in the Long-Term** – Given the location of a number of facilities and the amount of excess space available in the buildings, over the medium to long-term the City should explore opportunities to upgrade the clubhouses and lease them out to multiple restaurants (i.e., Panera, Pizza Hut, Subway, etc.) in order to significantly reinvigorate its food and beverage concession offerings.

A third party entity that leases a municipally-owned facility has the ability and the right to operate the facility in any manner of their choosing. This means that operational control (including establishment of pricing) is transferred away from the City. The municipality must rely on the annual performance caveats in the lease agreement to ensure minimum performance standards are met. While the municipality is typically responsible for funding all deferred capital

in existence at the outset of the lease, the lessee is responsible for maintenance and replacement of all future capital over the term of the lease. In certain cases, a reduction in the lease rate is negotiated in place of deferred capital funding from the City. The municipality can protect its assets by putting annual capital reinvestment minimums into the lease agreement. The lessee will usually require some form of repayment of capital clause (or buy-out clause) for any capital investment made by the lessee in the event they are not able to recover a reasonable return. This clause is typical for major capital improvements funded by the lessee where the useful life of the improvement is longer than the lease contract term, or in the event of early termination.

Standard third party lease contracts are typically 20 to 40 years in length due to the length of time required to recover capital investments made to the facility. The City would have contract review points every five to ten years, depending on the duration of the lease. The shorter the lease contract, the less bargaining power the municipality has with respect to annual capital reinvestment requirements. Most lease contracts contain early termination provisions and penalties should the municipality terminate the contract early for any reason other than third party gross negligence. The early termination penalty is often a charge equal to one year of rent as well as payment of any unrealized returns on invested capital determined on a sliding scale, depending on the year the contract was terminated and the useful life of the capital improved by the lessee.

A lease contract will include a base rental fee as well as some form of additional rent tied to financial performance of the asset. Base rental fees are generally calculated at 50% of projected third party optimized cash flow before interest, depreciation and amortization. Projections are determined under the pretense of highest and best use of the facilities in an open and competitive market, and not necessarily based on historic performance of the municipal operations. Additional rent tied to financial performance is based on incremental improvements to a baseline gross revenue figure calculated at the outset of the lease. There are two different approaches typically taken with respect to additional performance based rent:

1. An annual payment set at 15% of incremental improvement to the baseline gross revenue; or,
2. A periodic and permanent escalation of base rent set at 25% of incremental improvement to projected gross revenue, typically adjusted every five years.

XI. NON-GOLF RELATED FACILITY USE

There is an opportunity to leverage facility space to generate non-golf related revenue.

- a. **Charge for Parking at the Roosevelt Parking Lot** – The Greek Theatre has a 5,000+ seating capacity and hosts major concerts and events. During events in the evenings, the City can charge for parking at the Roosevelt parking lot as it is within walking distance of the theatre. This project should not interfere with regular golf patron parking.

Governance Details

XII. PERFORMANCE MANAGEMENT AND EDUCATION

Implement education, support and monitoring systems to help foster continuous improvement.

- a. **Maintain Current Golf Advisory Committee Structure** - The City of Los Angeles Golf Advisory Committee (“GAC”) should remain and continue to operate and act in an advisory capacity to the Department of Recreation and Parks General Manager and the Board of Recreation and Park Commissioners regarding the operation and maintenance of the City golf facilities.
- b. **Commit to and Fund an Education Platform for Key Management** – It is important for the Golf Division’s management team to be afforded continuous access to new ideas, which generally come in the form of: educational programs, best practice resources, conferences and expert advice when needed.
- c. **Develop and Implement a Comprehensive Performance Dashboard to Monitor and Continuously Improve Operations** – Given the latitude in pricing and operations being requested of the Board of the Recreation & Parks Commission, it is important for the Golf Division to implement a comprehensive performance dashboard to improve monitoring capabilities. It will be important for all key stakeholders to be able to efficiently and effectively monitor performance using a handful of primary key performance indicators and for the Golf Division to make adjustments when and as needed.

Facilities Details

XIII. CAPITAL IMPROVEMENTS

Invest in capital improvements to considerably improve facilities and the patron experience - City golfers have clearly indicated that they are willing to pay more for an improved golf experience.

- a. **Implement a Capital Contribution Surcharge on Every Round** – The ‘Capital Contribution Surcharge’ revenue collected will be earmarked and protected for City of LA golf course capital related expenses only. In the short-term, the income will be used to repay both principal and interest on debt that will be used by the City to fund the considerable deferred capital on each City golf course. In the long-term the income will be used to fund continuous capital improvements. The surcharge will be varied by facility, depending on the proportion of capital needed. Table 4, below, highlights the suggested Capital Contribution Surcharge amount for each facility, to be increased annually at inflation; and Table 5 highlights the estimated income generated from these surcharges (please see Appendix B for detailed estimates). Note, the price increases in Table 1 recommended for 2016 solely equate to the capital surcharges:

Table 4: Capital Contribution Surcharge by Facility

Facility	Capital Contribution Surcharge
Encino	\$2.00
Balboa	\$2.00
Woodley Lakes	\$2.00
Hansen Dam	\$2.00
Rancho Park 18	\$2.50
Wilson	\$2.00
Harding	\$2.00
Rancho Park 9	\$1.00
Harbor Park	\$1.00
Penmar	\$1.00
Roosevelt	\$1.00
Los Feliz	\$1.00

Table 5: Estimated Capital Surcharge Income

Facility	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Capital Surcharge Income	\$ 1,499,720	\$ 1,585,381	\$ 1,673,641	\$ 1,764,564	\$ 1,831,306

It is critical that the Capital Contribution Surcharge be effectively communicated to patrons in order to increase awareness that every dollar in the Surcharge goes into a fund and straight back into the improvement of their facilities. The City should consider structuring patron receipts, as shown in Diagram 1, with the surcharge separated from the green fee, and the total amount collected for the fund to date.

Diagram 1: Sample Receipt

City of Los Angeles Golf Division	
RANCHO PARK 18	
18 Holes Green Fee	\$ 49.00
Capital Contribution Surcharge	\$ 2.50
=====	
Total Green Fee	\$ 51.50
 Electric Cart x1	 \$ 14.00
Subtotal	\$ 65.50
=====	
Total	\$ 65.50
=====	
<p>The Capital Contribution Surcharge directly funds repairs and improvements at the RANCHO PARK City course.</p> <p>Thank You!</p>	

- b. **Fund and Address All Deferred Capital Needs As Quickly As Possible Via a Series of Municipal Bonds** - Address the aging facilities and significantly improve golf course infrastructure at every facility by issuing a series of 20-year Municipal Bonds and utilizing a portion of existing capital funds already available to the Golf Division.

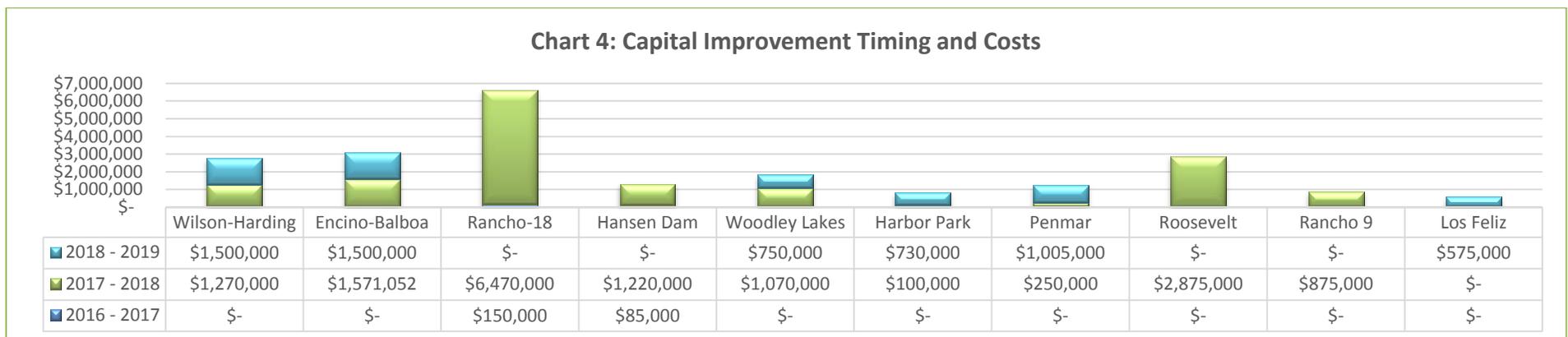
The City should utilize these funding sources to complete the \$20+ million in deferred capital expenditures estimated by City management and install a new \$2.5+ million irrigation system at Rancho Park 18 over the next three years. The business interruption costs associated with each project have been estimated to be approximately \$3 million, which will also be funded in the same manner. The City should leverage the 'Capital Contribution Surcharge' to be

collected on every round of golf to fund the debt service requirements (estimated at \$1.2 million annually). For the City to undertake capital improvements and achieve its new 'Standard of Excellence', it will be important to address deferred capital as soon as possible and ensure future capital requirements are adequately funded. Appendix B, attached, highlights detailed five-year financial projections and includes a list of the course-by-course capital improvement projects along with the proposed timing for each. Table 6 and Chart 4, below, provide a summary of total capital improvement costs by-year, by-facility:

Table 6: Estimate of Deferred Capital Improvement Costs

Facility	2016-2017	2017-2018	2018-2019	Total
Wilson-Harding	-	\$ 1,270,000	\$ 1,500,000	\$ 2,770,000
Encino-Balboa	-	\$ 1,571,052	\$ 1,500,000	\$ 3,071,052
Rancho-18	\$ 150,000	\$ 6,470,000	-	\$ 6,620,000
Hansen Dam	\$ 85,000	\$ 1,220,000	-	\$ 1,305,000
Woodley Lakes	-	\$ 1,070,000	\$ 750,000	\$ 1,820,000
Harbor Park	-	\$ 100,000	\$ 730,000	\$ 830,000
Penmar	-	\$ 250,000	\$ 1,005,000	\$ 1,255,000
Roosevelt	-	\$ 2,875,000	-	\$ 2,875,000
Rancho 9	-	\$ 875,000	-	\$ 875,000
Los Feliz	-	-	\$ 575,000	\$ 575,000
Total Capital Improvement Costs	\$ 235,000	\$ 15,701,052	\$ 6,060,000	\$ 21,996,052
Business Interruption Costs	-	\$ 1,618,622	\$ 1,150,577	\$ 2,769,198
Total Including Business Interruption	\$ 235,000	\$ 17,319,674	\$ 7,210,577	\$ 24,765,250

Chart 4: Capital Improvement Timing and Costs



- c. **Fund Annual Capital Maintenance Expenses Through Operations** – Capital maintenance, resulting from regular use and aging, is an operating expense and must be treated as such. Many golf courses, municipal or otherwise, have historically not included capital maintenance in operating expenses; and thus only funded when and if sufficient funds were available. This has created an abundance of deferred capital at many golf courses across the Nation, including at the City of LA golf facilities.

While the capital surcharge and Municipal Bond will help to address deferred capital initially and new capital improvements thereafter, they will not address all of the annual and regular capital maintenance needs. Accordingly, the City should begin budgeting for and including annual capital maintenance expenses in the operating budget, which can be estimated at 5% of gross revenue in any given year.

Over the first three years while the large-scale capital improvement projects are on-going, the City should leverage these capital maintenance budget dollars to address immediate need projects that are important to operations, such as relocating starters from starter windows to pro shops and reinvigorating the interior of the tired pro shop facilities. This is necessary in order to begin offering limited merchandise and accessories (hats, balls, tees, etc.) and to generate the revenues projected in the Financial Impact section herein. Please see below an estimate of gross revenue and consequently capital maintenance expenses that the City should include in its annual operating budget each year:

Table 7: Estimate of Capital Maintenance Expenses to be Included in Operating Budget

Facility	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Gross Revenue	\$ 27,871,170	\$ 28,892,164	\$ 30,500,230	\$ 32,144,621	\$ 33,306,811
Capital Maintenance Expenses (operating expenses)	\$ 1,355,250	\$ 1,413,929	\$ 1,492,938	\$ 1,573,761	\$ 1,630,474

- d. **Continue to Maintain Capital Reserve Fund and Utilize a Portion of Existing Funds to Offset Business Interruption Costs** - The Golf Division will maintain a minimum Capital Reserve Fund, equal to two (2) times the annual capital maintenance projections across all golf facilities (benchmarked at 5% of gross revenue, or roughly \$2.7 million in 2016) in order to adequately address unforeseen issues and surprises. Accordingly, the City should leverage existing capital account funds in excess of the capital maintenance benchmark to help address the costs associated with actually addressing the deferred capital expenditures; i.e., business interruption costs. Assuming the Capital Fund is currently at \$7.5 million, the City should utilize approximately \$4.8 million for deferred capital to help fund operating shortfalls that result from capital projects, and thus maintain \$2.7 million as a contingency. The City should also continue to maintain its Contingency Fund with respect to the Sepulveda Complex.

- e. **Complete a Comprehensive Capital Reserve Study and Prioritize Capital Projects** – While this Plan has been based on management's Capital Improvement Plan (which the City should carry forward with), concurrently the City should also complete a comprehensive 20-year Capital Reserve Study to better understand current and future capital costs and to better segregate and account for deferred versus normal capital maintenance.
- f. **Create and Deploy a Capital Maintenance Squad to Work on Capital Related Items Across All Facilities** - In addition to funding the completion of all deferred capital projects, a City-wide 'Capital Maintenance Squad' ("Squad") should be established to help address capital maintenance requirements across all facilities on an on-going basis. The Squad should consist of four to five members, one of which should be highly-skilled and knowledgeable in the field, while the remaining members can be general laborers who will receive guidance and training from the Squad leader. The Squad will constantly monitor and address capital maintenance requirements and conditions at all City of LA facilities. In addition to maintaining capital maintenance standards, members of the Squad can also act as temporary workers during the turn-over period when a greens employee at a particular course has left their position.
- g. **Develop and Implement a Comprehensive Agronomic Plan** - The City should complete a comprehensive Agronomic Plan; a key tool to establish and maintain the quality of course conditions. Please see Appendix D, attached.
- h. **Upgrade all Driving Ranges** - As part of the Capital Improvement Plan, the City should upgrade all driving ranges, including sophisticated ball dispensing machines that offer various ways to take payment (tokens, credit cards, range cards, passwords that are system-generated; ideally, customers can pay online through their mobile device via a secure payment processor and have a password e-mailed or texted to their smart phone so they can enter it and get golf balls). Each range should be equipped with golf ball machines that are aesthetically pleasing, easy to load with golf balls in a secure manner, and security cameras on the machines and range areas. The security camera feeds should be visible to the pro shop attendant (starter) in order to monitor the range activity and sales.

XIV. UNPROFITABLE FACILITY SOLUTIONS

Reduce considerable losses associated with Holmby Park and Tregnan Academy by releasing operational control.

- a. **Transfer Responsibility for Holmby Park to the Parks Branch of the Department of Recreation and Parks** - Holmby Park, while historically significant, is much more of a park than a golf facility. Accordingly, it would be far better suited under the Parks Branch of the Department of Recreation and Parks, with a simple donation box for local residents to help support the care and upkeep. The Golf Division should cease golf operations at Holmby Park/ Armand Hammer and attempt to shift control of the property back to the Parks Branch of the Department of Recreation and Parks. At a minimum, the Golf Division will attempt to structure a subsidy relationship with the Parks Branch of Recreation and Parks in order to ensure that the Golf Division is not measured and penalized by the losses incurred from maintaining a non-revenue generating park.
- b. **Lease, Rent or Solicit Corporate Sponsor to Fully Cover Operating Costs of Tregnan Academy** - The City should consider leasing Tregnan Academy to an up and coming Junior Golf development group; or at a minimum, rent it to them on an annual basis at a sponsorship fee that will cover the cost to maintain the property. While Tregnan Academy is an important facility in encouraging participation and providing accessible teaching facilities to the City's youth, it is also a considerable loss leader for the Golf Division. Accordingly, the Golf Division will seek a partnership with a third party to improve the offerings at Tregnan Academy, bolster marketing efforts and help to subsidize operations, while staying true to the Golf Division's mission.

XV. ALTERNATIVE FUNDING SOURCES

Actively pursue alternative funding sources for capital projects and community programs via grant, donor, and sponsorship options.

- a. **Actively Solicit Private Grant, Donor and Sponsorship Funding** - The City should prepare a prospectus for each potential opportunity and search for grant/donor/sponsorship funding for large-scale capital projects or for costly, yet necessary programs (such as the Junior Golf program or Tregnan Academy) in exchange for recognition or naming rights.

STRATEGIC ACTION PLAN

Operations

Table 8: Strategic Action Plan – Operations

Action Plan	Completion Deadline	Assigned To	Intended Outcome
I. INFORMATION TECHNOLOGY			
<p>a. Source and implement a robust and fully-integrated customer and operations management system.</p> <ul style="list-style-type: none"> Prepare a Request for Proposal (“RFP”) for a fully integrated system utilizing the Information Systems Review report. Distribute the RFP to all potential system providers. Evaluate responses using necessary functionality and user experience as the most important criteria, with pricing a close second and create a short list of potential candidates. Invite the short list of candidates to perform a comprehensive demonstration of their system, addressing all necessary functionality and the user experience on a set-up similar to what the City of LA will require, i.e. multiple courses spread across a large geographic area with a centralized CRM database and robust loyalty tracking capabilities. City representatives from all operating functions should be in attendance (Golf, Greens, IT, Sales and Marketing, accounting). Require and thoroughly investigate references from other multi-course golf systems that use each product. Select best system for the Golf Division’s purposes and implement on a trial basis, only committing to a long-term contract once proven. 	<p>November 2016 or sooner, if at all possible. January 2016</p> <p>January 2016</p> <p>March 2016</p> <p>May 2016</p> <p>August 2016</p> <p>October 2016</p>	Golf Division and City Procurement	<p>Fully functioning and operational customer and operations management system that:</p> <ol style="list-style-type: none"> Improves operational efficiency, effectiveness and control; Reduces administrative costs through efficiency improvements (to be offset by increased marketing, communications and yield management requirements); Effectively facilitates and supports yield management, dynamic pricing and loyalty program initiatives; and, Improves the customer experience with online reservations and communications. <p><i>NOTE: This action item is of the highest priority. A significant number of other important strategic action items directly rely on the successful implementation of a highly capable information system.</i></p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
II. PACE-OF-PLAY			
<p>a. Continue to work with the USGA on Pace-of-Play and implement studied recommendations.</p> <ul style="list-style-type: none"> Review and consider USGA report and recommendations based on recent pace-of-play monitoring, analysis and feedback efforts. Implement a going-forward method, under the guidance of the USGA, to monitor and analyze pace-of-play going forward. 	<p>November 2016</p> <p>February 2016</p> <p>October 2016</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II and USGA</p>	<p>Implementation of best practices for managing and monitoring pace-of-play.</p> <p>Implementation of an efficient and effective system for measuring, monitoring and analyzing pace-of-play going forward.</p>
<p>b. Increase tee-time interval to eight minutes.</p> <ul style="list-style-type: none"> Adjust tee-time intervals in tee sheet reservation system from the current 6 minute interval with pacing times to a straight 8 minute interval without pacing times. This will require the City to stop selling pacing times in the tee sheet through a third party. The City should work with third party tee time resellers to develop a mutually beneficial relationship under the new tee-time intervals. Integration with third party tee-time resellers should be part of the City's evaluation and requirements for a new information system. Prepare and distribute a communication to the marketplace via all available communication feeds (e-mail, social media, posters, flyers, news outlets, etc.) that promotes the increase in tee-time intervals to 8 minutes as part of on-going efforts to improve pace-of-play and golfer enjoyment. Once pace-of-play improves and all tools are functioning properly, experiment with a 7/8 minute split interval at certain courses (Harbor Park and Woodley Lakes initially) to add capacity and normalize revenue. 	<p>April 2016</p> <p>April 2016</p> <p>April 2016</p> <p>April 2017</p>	<p>Golf Manager, Golf Operations Supervisor</p>	<p>Better control the tee sheet and first tee to improve pace-of-play across the entire City Golf system.</p>



Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>c. Improve presence of tee checkers on the first tee to enhance tee-time management.</p> <ul style="list-style-type: none"> • Communicate to golfers via all available communication avenues the importance of teeing off at a precisely defined tee-time, as opposed to whenever the first tee appears open or the group in front is ‘out-of-reach’. Include this communication on tee-time interval changes. • Adjust golf operations staffing program at all City facilities (excluding Los Feliz, Tregnan, Rancho Park 3 par, and Holmby) to ensure direct control over the first tee and only permit golfers to tee-off at a precisely scheduled start time. Start times in the mornings and during the busiest periods are the most critical in order to ensure precise timing. • Once technology is advanced at the City of LA courses, starters will have the ability to check-in golfers via a handheld device integrated to the tee sheet and point-of-sale system, which will allow golfers, who have pre-paid online or paid via their mobile device, to proceed directly to the first tee and tee-off. 	<p>January 2017</p> <p>December 2015</p> <p>March 2016</p> <p>December 2016</p>	<p>Golf Operations Supervisor and Golf Starter Supervisors II</p>	<p>Golfers being greeted on the first tee where pace-of-play expectations, relevant course rules and on-course Marshal powers are communicated.</p> <p>Golfers teeing off at a precisely scheduled tee- time.</p> <p>Modified staffing profile at each facility with re-allocated responsibilities (including dual duties at multi-course facilities) that ensures coverage and control during the busiest times of the day, especially mornings, without adding another full-time coverage position (only part-time coverage added).</p> <p>Reduction in the time that golfers are required to be at the course prior to their scheduled tee-time.</p>
<p>d. Reinstigate a volunteer Marshal program.</p> <ul style="list-style-type: none"> • Design and implement an on-course volunteer Marshal program to include the following key characteristics: <ul style="list-style-type: none"> ○ Coverage to include 2 Marshals during peak times and 1 during off-peak times at 18-hole courses; and, 1 Marshal at all times at 9-hole regulation and executive courses. ○ Volunteers to be provided complimentary access to City courses during off-peak, open tee-times and only at the course they Marshal. ○ Volunteers must be and remain in good standing with the City in order to take advantage of complimentary access. ○ A system of scheduling and tracking volunteers will be implemented and any no-shows or consistent complaints will result in revocation of ‘good standing’ and privileges. ○ The Marshal privileges will be reviewed and compared to 	<p>April 2016</p> <p>March 2016</p>	<p>Golf Operations Supervisor</p>	<p>Improved pace-of-play.</p>



Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>competing courses in the local areas on an annual basis or should it be difficult to fill roster spots.</p> <ul style="list-style-type: none"> ○ Marshals will report to and take direction from First Tee Starters who are responsible for controlling and monitoring pace-of-play. 			
<p>e. Undertake a playability review on all courses and ensure all hazards are clearly painted and staked.</p> <ul style="list-style-type: none"> ● Conduct a review to identify any and all bottlenecks on each course where pace-of-play typically slows, and address any playability issues that may be contributing to bottlenecks. ● Ensure all City of LA Golf facilities have all hazards clearly painted and staked. ● Install yardage plates on all tees. ● Ensure yardage markers are installed and visible along all fairways. ● Design, communicate and enforce rules to require the use of drop areas on the other side of lateral hazards. 	<p>July 2016</p> <p>March 2016</p> <p>March 2016</p> <p>June 2016</p> <p>March 2016</p> <p>March 2016</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II, Senior Park Maintenance Supervisors</p>	<p>Improve playability of all golf courses by correcting or eliminating any design or set-up issues that typically contribute to slow play or overly difficult play.</p> <p>Improve golfer satisfaction and pace-of-play.</p>
<p>f. Map pin placements to improve playability and speed pace-of-play.</p> <ul style="list-style-type: none"> ● Strategically map playable pin placements on every course that ensures a flat area of no less than three feet all around each pin placement where possible. 	<p>April 2016</p> <p>March 2016</p>	<p>Golf Operations and Principal Grounds Maintenance Supervisors</p>	<p>Improve playability of the golf courses.</p> <p>Improve golfer satisfaction and pace-of-play.</p>



Action Plan	Completion Deadline	Assigned To	Intended Outcome
III. NON-RESIDENT ENGAGEMENT			
<p>a. Eliminate the use of different rates for Residents and Non-residents.</p> <ul style="list-style-type: none"> Launch a major communication to the market that the City of LA is no longer going to charge Non-resident golfers more than Residents to play at City courses: <p>“In an effort to improve relations with our neighbors and address concerns raised by not only Non-residents but from Residents who have friends that live within close proximity to City courses, but are currently considered Non-residents, the two tiered rate structure has been eliminated.”</p> <p>Please see Pricing Recommendations below for proposed changes in 2016 and beyond.</p> <p>Important Note:</p> <p>Both the elimination of the Non-Resident rate and the advent of a Capital Surcharge will be implemented for 2016. The Loyalty program and further rate adjustments to market will be implemented in 2017 and beyond 2018 as the information system and other important improvements are implemented.</p>	<p>April 2016</p> <p>April 2016</p>	<p>Golf Operations Supervisor</p>	<p>Attract additional rounds played from the considerable audience of historically dormant golfers that live in close proximity to the City facilities, but are considered ‘Non-residents’.</p>
IV. YIELD MANAGEMENT AND DYNAMIC PRICING			
<p>a. Implement a sophisticated yield management program that includes dynamic pricing.</p> <ul style="list-style-type: none"> Obtain approval from the Department of Recreation & Parks Commission (where applicable) for the following: <ol style="list-style-type: none"> An approved ‘Price Ceiling’ for each course as per recommendations in Table 3, increasing each year at the pace of inflation. The ability to implement all elements of an effective yield management and dynamic pricing program described herein and to charge any rate deemed necessary as long as it falls below the approved ‘Price Ceiling’. 	<p>April 2017</p> <p>April 2016</p>	<p>Golf Manager, Golf Operations Supervisor, Golf Starter Supervisors II, the Board of the Recreation & Parks Commission</p>	<p>Annual increases in rounds and revenues across all facilities, with the greatest gains seen at currently under-utilized facilities. Golf Division is provided with the necessary flexibility to compete in the marketplace while also achieving its mission.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> 3. The ability to offer specials and programs that include 'free' rounds and other various services. 4. The ability to seek adequately supported 'Price Ceiling' adjustments to market on an annual basis. <ul style="list-style-type: none"> • Communicate 2016 pricing adjustments to the market in tandem with communications surrounding the key strategic goals, including the elimination of Non-resident pricing, increase in tee interval and other pace-of-play initiatives, the development of a Capital Fund, via a capital surcharge on green fees, etc. See proposed 2016 posted peak rate pricing in Table 2 and detailed pricing in the Financial Impact section of this report, to be increased at a minimum at the pace of inflation (estimated at 1.8%) on an annual basis. 	<p>April 2016</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II, Tee Sheet/Reservations Analyst</p>	<p>Market understanding of pricing changes and the reasons why.</p>
<ul style="list-style-type: none"> • Implement necessary processes for yield management within golf operations: <ol style="list-style-type: none"> 1. Fill Golf Operations Supervisor role and build yield management team utilizing/re-tasking reservations resources. 2. Track and monitor net rate per round as a % of posted peak rate by facility on a daily, weekly and monthly basis; 3. Consistently review tee sheets 72, 48 and 24 hours out; 4. Test the effectiveness of various specials, promotions and discounts at filling empty time slots on tee sheets across various facilities throughout 2016, starting with small discounts off posted peak rates; and 5. Document successes. 	<p>April 2017</p>	<p>Golf Manager, Golf Operations Supervisor, Golf Starter Supervisors II, Communications Specialist</p>	<p>Efficient and effective yield management processes and responsibilities designed, refined and implemented.</p> <p>Archive of discounts, specials, packages, and promotions, by facility, ranked by effectiveness and yield.</p>
<ul style="list-style-type: none"> • Leverage the new information system to build and automate portions of the yield management program designed and tested throughout 2016 to implement dynamic pricing methods. It will be important to use the successful specials pricing and packaging identified throughout 2016 to design and implement the effective dynamic pricing models within the new information system. 	<p>April 2017</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II, Tee Sheet/Reservations Analyst</p>	<p>Annual increases in revenues across all facilities with limited impact on actual affordability for golfers.</p>
<ul style="list-style-type: none"> • Leverage the Price Ceilings to charge rates that are in excess of the proposed peak rates herein for special events and other special initiatives, programs and packages where the market indicates the City is able to command above posted rate. 	<p>April 2017</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II, Tee Sheet/Reservations Analyst</p>	<p>A handful of larger, significant revenue generating tournaments and events that increase revenues and help support operations and capital.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>b. Implement new advanced group booking fee and explore credit card requirements for other patrons.</p> <ul style="list-style-type: none"> • Communicate to the market updates to advanced booking policies: <ol style="list-style-type: none"> 1. Non-refundable advanced group (more than one foursome) booking fee of \$10, applicable to every foursome in the group that is not made up of all Loyalty Pass holders; and 2. Non-refundable \$5 reservation fee for golfers that are NOT Loyalty Pass holders. • Investigate the ability to eliminate the \$5 reservation fee by requiring a credit card to be held on file for non-Loyalty Pass holders and charged the full amount of the booking for no-shows and cancellations within 24-hours of the tee-time. Loyalty Pass holders should also be charged for cancellations and no shows within 24-hours of the tee-time, a \$5 fee or docked equivalent Loyalty points. 	<p>April 2017</p> <p>April 2017</p> <p>April 2017</p>	<p>Golf Manager, Golf Operations Supervisor, Golf Starter Supervisors II, Communications Specialist</p>	<p>Increased revenue and fewer cancellations and no shows.</p> <p>Increased revenue from advanced bookings, increased Loyalty program participation and revenue and reduced cancellations and no shows.</p> <p>Elimination of barrier to making reservations at City of LA properties for non-Loyalty Pass holders, while protecting against cancellations, no shows and lost revenue.</p>
<p>c. Test fivesomes at Woodley Lakes.</p> <ul style="list-style-type: none"> • Monitor performance at Woodley Lakes over the next few years and if results do not achieve the desired utilization metrics as outlined in the Financial Impact section of this report, test fivesomes as an additional marketing play and a way to bolster peak-time revenues. 	<p>2018 and beyond and only if yield management and dynamic pricing fail to boost rounds and revenue.</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II</p>	<p>Increased capacity, enhanced marketing impact and increased revenue.</p>
<p>V. GOLF CART PRICING</p>			
<p>a. Restructure golf cart pricing.</p> <ul style="list-style-type: none"> • Communicate to the market an updated golf cart pricing structure: <ol style="list-style-type: none"> 1. Flat 'per seat' rate of \$14 per 18-holes, which is in line with market rates, while maintaining the existing pricing structure at Harbor Park with an increase of \$2 to \$12 per cart. 	<p>April 2016</p>	<p>Golf Operations Supervisor, Golf Starter Supervisors II, Communications Specialist</p>	<p>Increased revenue and improved market attractiveness for the golfer playing as a single or in a threesome.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>papers, magazines and radio about the new program, its key objectives and benefits for golfers.</p> <ul style="list-style-type: none"> • Work with new information system technology implementation team to set-up online enrollment and payment capabilities. • Ensure communications include a note about existing multi-year Player Card Holders being credited for their fees already paid and distribute a targeted e-mail and direct mail communication to these existing Player Card Holders directly. • Roll-out the program communications over a period of 3 months leading up to the launch date, with enrollment enabled and consider an ‘early bird’ offer to improve adoption. An ‘early bird’ option under the recommended Loyalty Program herein would be to offer 2 round credits (Loyalty Points) to ‘early birds’ who enroll prior to the official launch, and 3 to Advanced Reservation Loyalty ‘early birds’. • Review the program independently at the conclusion of each golf year. • Stop offering multi-year Player Cards/Reservation Cards immediately and stop offering them annually on launch of Loyalty program. 	<p>December 2016</p> <p>December 2016</p> <p>April 2017</p> <p>June 2018</p> <p>April 2017</p>		<p>excitement/demand.</p> <p>Easy enrollment and payment for golfers to help increase participation and consequently revenues.</p> <p>Ensure golfers that have already purchased a multi-year player card (good through until after the Loyalty program is launched) know they will not lose their investment.</p> <p>Ensure successful launch and considerable participation in the first year.</p> <p>Ensure the program is and continues to run efficiently and effectively, meeting its core objective.</p> <p>Elimination of competing programs.</p>
<p>VII. MARKETING AND COMMUNICATIONS</p>			
<p>a. Develop and publish a schedule of planned improvements, course activities and regular communications.</p> <ul style="list-style-type: none"> • Leverage the approved Strategic Plan to create a comprehensive five-year schedule of planned activities and improvements that includes capital improvements. Communicate this schedule to golfers in a number of ways as part of strategic planning communications, highlighting key strategic areas of focus for the City over the next five years. <ol style="list-style-type: none"> 1. Formal summary of Strategic Plan document posted on website with dedicated page to include other related communications and schedules and blasted out to all City of LA golfers in e-mail database; 	<p>January 2017</p> <p>June 2016</p>	<p>Golf Manager, Golf Operations Supervisor and Principal Grounds Maintenance Supervisor, as well as a dedicated Golf Starter Supervisor II, marketing and communications resource, reservations resource and</p>	<p>Improved communications, broader market understanding of key activities, increased participation and revenue.</p> <p>Effective communication of strategic planning initiative results and what it means for golfers.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>2. Reach out to local newspapers and media outlets to deliver the key messaging and support story creation and publication;</p> <p>3. Post strategic priorities, goals and objectives on bulletin and sign boards at the courses;</p> <p>4. Post short-term, mid-term and long-term schedule of planned activities and improvements on the website, bulletin and sign boards at the golf course; and,</p> <p>5. Continue to reinforce strategic priorities, goals, objectives and accomplishments in monthly newsletter (see below).</p> <ul style="list-style-type: none"> • Hire/reallocate a dedicated Marketing and Communications resource to execute communications. • Establish a Marketing and Communications team within the existing staffing structure to spearhead the marketing and communications initiatives herein and schedule regular team meetings. • Prepare a robust annual communication highlighting accomplishments from the previous year, how the City is tracking against their Strategic goals along with the plan for the upcoming year. • Design and develop a monthly newsletter for Loyalty program participants which highlights key news, upcoming activities, closures, disruptions and improvements. Post to the website and send via e-mail on a monthly basis. • Build a Golf Course Activities calendar for each course that is both hosted on the website (improve existing calendar – does not load consistently – and make more prominent on website) as well as being available to be printed. The calendar should function like a Microsoft Outlook calendar from a browser perspective (filter by course, view annual, monthly, weekly, daily or in list format) and consolidate all of the various schedule-related posts on the current website, i.e. aeration schedules and tournament schedules (maintain existing individual schedules, likely only available one year out). The calendar should also include additional items that may look further out over the next three to five years based on this Plan such as: 	<p>March 2016</p> <p>March 2016</p> <p>December 2016</p> <p>December 2016</p> <p>June 2016</p>	<p>IT/website resource – ‘Marketing and Communications Team’.</p>	<p>Dedicated Marketing and Communications team to ensure appropriate coordination, coverage and execution.</p>



Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ol style="list-style-type: none"> 1. Planned strategic actions based on this Plan, including capital improvements; 2. Planned course closures with details on reason for closure; and, 3. Planned course disruptions with details on reason and any corresponding pricing adjustments or deal. <ul style="list-style-type: none"> • Categorize each type of activity that should be included on the Communications calendar and develop an e-mail blast template for each. Schedule reminder e-mails for each type of activity according to the planned schedule for the year to be blasted out to all Loyalty program participants well in advance, based on which their Loyalty level (Advanced Loyalty will be looking to book 16-days out, so will need a reminder at least 17-days out). 	<p>December 2016</p>		
<p>b. Engage in a collaborative marketing effort called “content marketing”.</p> <ul style="list-style-type: none"> • Establish internal media capabilities, such as website locations and hardcopy sources. • Schedule and regularly develop unique content – especially photographs, videos, personal stories, and endorsements from popular organizations and figures – that relate specific LA Golf stories to the public at large. • Develop the capacity to serve as the curator of this content and use content to engage local and regional lifestyle media – such as tourism and business travel programs, publications, and institutions – and national media, to show expansive golf offerings on a public fee basis. • Build a City of LA Golf library or portfolio of content that can be used by travel and business publications in and around the City of Los Angeles. These include the Visitor’s Bureau, Chamber of Commerce, Tourism and Convention Board, as well as publicists from travel, tourism, and lifestyle segments. • Hire professional photographers on a bundled-course basis to 	<p>On-going</p> <p>March 2016</p> <p>March 2016 and On-going</p> <p>March 2016 and On-going</p> <p>March 2016 and On-going</p> <p>March 2016 and On-going</p> <p>March 2016 and On-</p>	<p>Marketing and Communications Team</p>	<p>Low cost advertising that helps to communicate the City of LA golf offerings in a manner that encourages participation and support.</p> <p>Open and available content for any organization that publishes information about activities, happenings, gatherings, or socialization in Los Angeles.</p> <p>An expansive portfolio of high-quality, high-</p>



Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>capture and develop media content that will be used to supply content marketing pieces.</p> <ul style="list-style-type: none"> Hire professional videographers to develop a variety of videos that showcase aspects of City of LA courses such as tournament promotions and recaps, Junior Golf event highlight reels, drone-angle course fly-overs, the City skyline at sunset, and even videos that depict ongoing maintenance and construction efforts on the courses. 	<p>going</p> <p>March 2016 and On-going</p>		<p>resolution images that showcase the very best of City courses and facilities.</p> <p>A library of professional videos between 45 seconds and two minutes in length that can be aggressively shared online.</p>
<p>c. Develop, continually maintain, and enhance the City of LA Golf Courses' presence and communications on social media outlets.</p> <ul style="list-style-type: none"> Focus on refining and developing the City's golf course presence on Facebook, Twitter, Instagram, and peer-review sites such as Yelp and TripAdvisor. Explore targeted advertisement services through Facebook, and over time optimize the demographic configuration of the campaign resulting in the best possible conversion rates and ultimately, ROI for online advertising. 	<p>December 2016 and On-going</p>	<p>Marketing and Communications Team</p>	<p>Increased social media following and a well-established, effective channel for immediate communications with a broad audience of golfer.</p>
<p>d. Develop on-going customer feedback process.</p> <ul style="list-style-type: none"> Develop, implement, and regularly monitor a process for customer feedback, integrated within the fully updated informational system in order to: <ol style="list-style-type: none"> Solicit feedback in the form of an email the day following a reservation or scheduled round of golf; and, Obtain hardcopy feedback via comment boxes that City staff input into the information system as part of their daily close procedures. 	<p>December 2016 and On-going</p>	<p>Marketing and Communications Team</p>	<p>An easy to use, automated feedback system integrated with the new information system that:</p> <ol style="list-style-type: none"> Allows feedback forms to be completed right from the body of an email; Immediately returns an email confirming receipt of feedback, a thank you message for contributing and encouragement for a return visit or a visit to another City course; and, Seamless feedback reporting for management to use on a weekly basis to monitor customer experience and make adjustments where necessary.

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<p>e. Develop standardized customer service training programs for employees.</p> <ul style="list-style-type: none"> • Make customer service training mandatory for all customer-facing employees. If unable to make such training mandatory, there should be tiered payment offerings based on the level of training received. • Source training program structures and materials from the hospitality industry including hotel businesses, chain restaurants, and catering companies. • Develop a method for incentivizing customer service, tracking and rewarding exceptional customer service. This should include customer service related questions on feedback forms (see Patron Survey rating questions to enable comparison and measurement of progress/change), tracked based on the staff on-duty. 	December 2016	Golf Operations Supervisor, Golf Starter Supervisor II, Marketing and Communications Team	Inspired and motivated employees to provide friendly and helpful customer service.
<p>f. Develop a Secret Shopper customer service follow-up program.</p> <ul style="list-style-type: none"> • Develop a Secret Shopper customer service program that place key shoppers at specific locations in order to measure the quality of experience. • Design a method for tracking and measuring Secret Shopper feedback and integrate feedback into customer service ratings and evaluations. 	December 2016	Golf Operations Supervisor, Golf Starter Supervisor II, Marketing and Communications Team	A measurable approach to evaluating customer service and ensuring customer service investments are being effectively implemented and sustained.
<p>g. Develop and improve ability to attract new market segments.</p> <ul style="list-style-type: none"> • Develop a program for the active solicitation to use City of LA courses as locations for movie shoots and commercials. • Design and implement a coordinated Communication Plan for City of LA golf that is consistent with, tied into, and embodies the Olympic spirit, leveraging the 2024 Olympic nomination and communications 	December 2016 and On-going	Golf Manager, Golf Operations Supervisor, Golf Starter Supervisor II, Marketing and Communications Team	Increased participation from new or targeted market segments: visitor golfers, Junior golfers and female golfers.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>as a means with which to communicate the Golf Division’s strategic priorities and goal to have City of LA golf recognized as the best municipal golf system in the country.</p> <ul style="list-style-type: none"> • Develop and implement an aggressive Junior Golf campaign with the goal of making Los Angeles the leading City for promoting Junior Golf: <ul style="list-style-type: none"> ○ Develop contacts and engage in cross-promotion with other youth related sports leagues and organizations across Los Angeles; ○ Promote golf as an off-season sport, as a bonding opportunity between parents and children, and even use small matches, putting competitions, and driving range games to draw these organizations to City facilities; and, ○ As well, seek to host end-of-season parties and celebrations at specific Clubs in various areas of the greater Los Angeles area. • Target female golfers with specific communications and recruiting events periodically hosted at various City courses. 			<p>Triple the number of Junior golfers engaged at City of LA properties over the next five years and thus increased participation from parents, friends, teammates, schoolmates, neighbors, aunts, uncles, grandparents, and cousins.</p> <p>An improved perception that the City of LA golf courses are female friendly and support the growth of women in golf and thus increased participation.</p>
<p>h. Explore branding, including City of Los Angeles-branded items.</p> <ul style="list-style-type: none"> • Piggy-back on the Loyalty program branding exercise to reinvigorate the overall City of LA logo (not a re-design, just modernization/fresh look) and identify and partner with an online golf apparel company to sell logo’d City of LA gear. Ensure the e-commerce store is fully integrated with the new information system, requires limited to no inventory to be carried (real-time order processing and shipping), and is actively promoted through the homepage of the golf website. • Develop costing and procedures for using logo’d merchandise as give-aways and promotions in order to encourage participation in 	<p>December 2017</p>	<p>Golf Manager, Golf Operations Supervisor, Golf Starter Supervisor II, Marketing and Communications Team</p>	<p>Further increased loyalty and brand recognition for City of LA golf.</p> <p>Increased revenue from branded apparel sales with limited cost and inventory risk.</p>

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<p>the Loyalty program or as give-aways for events, winning a promotional offering, participating in a tournament, or winning League Play as well as Junior programs, clinics, and events.</p>			
VIII. DRIVING RANGE FACILITIES			
<p>a. End all third party management agreements for City-owned driving ranges and develop transition plan.</p> <ul style="list-style-type: none"> • Complete and file appropriate documents and notices required to terminate third-party driving range/pro shop concessionaire contracts. • Leverage existing experience with other City-operated driving ranges in order to develop a transition plan to reduce downtime during the change of management from the third parties back to the City. • Utilize a portion of the Capital Maintenance expenses budgeted for 2016 to upgrade each of the facilities to current equipment in order to have an immediate and positive impact on the user experience. • As part of the transition plan, communicate to the market – via all available channels - that the City is assuming operating responsibility for the ranges and will enhance the customer experience over the next three years. Ask for patience and to work with/around our crews as the City initiates improvement plans. • Track and monitor financial performance metrics of all ranges over the next year(s) to ensure a complete understanding of the value to the City when self-operated (this is most important for Sepulveda and Griffith Park facilities that will not have history). • Design and develop the costing required to significantly enhance both the Sepulveda and Griffith Park driving ranges, similar to that at Rancho Park, and evaluate feasibility based on available funds, after 	<p>June 2016</p> <p>March 2016</p> <p>March 2016</p> <p>September 2016</p> <p>June 2015</p> <p>December 2016</p> <p>December 2016</p>	<p>Golf Manager, Procurement, Finance, Golf Operations Supervisor</p>	<p>Improved golfer experience, uninterrupted service and significantly greater net income from driving ranges for the City.</p>



Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>debt service costs from the Capital Contribution Surcharge account.</p> <ul style="list-style-type: none"> Assuming the capital plans are feasible, execute to plan and significantly enhance all City ranges (to mirror the Rancho Park range). 	<p>December 2018 and ONLY after exploring third party opportunities as described in b. below.</p>		
<p>b. Explore potential for large-scale third party partnership opportunities in the long-term.</p> <ul style="list-style-type: none"> Seek out and engage in preliminary conversations with potential sponsors or partners for the City of LA driving ranges. Interest is anticipated in two forms: i) sponsorship, or ii) partnership (lease or joint-venture). The City’s objective should be stated very clearly: To significantly enhance the facilities via capital improvements, bolster the City’s ‘grow the game’/‘Junior Golf’ initiatives, enhance offerings to appeal to a broader audience, and ultimately provide access to even more residents, while remaining fiscally responsible. Develop and issue an Expression of Interest (“EOI”) to the market, targeting key Los Angeles based or focused corporations such as airlines, large manufacturers, retailers or other entities that already have an established ‘Entertainment Complex’ business model that would be willing to partner with the City. The EOI should include details such as: <ol style="list-style-type: none"> Mission Statement for the City and overarching strategic priorities; City proposed plans and costing for facility improvements; Description of current programming and opportunities for significant enhancement; Directive that sponsorship/partnership is being sought for all City ranges and the City should not be seeking different 	<p>March 2018</p> <p>March 2017</p> <p>March 2017</p>	<p>Golf Manager, Procurement, Finance, Golf Operations Supervisor</p>	<p>Any opportunity presented via EOI and pursued by the City should:</p> <ol style="list-style-type: none"> Be sufficient in size and scale to significantly improve the annual net income directly to the City, beyond what the on-going self-operation of all ranges produces; Limit the City’s capital contribution requirements; and, Provide expanded and enhanced service to both its core golfer patrons and other City of LA residents alike (i.e. disadvantaged youth and other children previously not exposed to golf).



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<p>sponsors for different facilities; and,</p> <p>5. There is a potentially complementary opportunity via Tregnan Golf Academy to be considered as well, but not required: see Tregnan EOI.</p> <p>Require details such as the following to be included in responses:</p> <ol style="list-style-type: none"> 1. Type of sponsorship/partnership being sought; 2. Plan for funding and any changes proposed to the existing capital improvements; 3. The financial commitments proposal; 4. Term duration; 5. Requirements (of City and Respondent); 6. Value added benefits to golfers; 7. Administrative and Management structure; and, 8. Similar prior sponsorship/partnership experiences/references. <ul style="list-style-type: none"> • Evaluate all EOIs received and pursue the best opportunities. 	<p>March 2018</p>		
IX. PRO SHOP RETAIL AND SERVICES			
<p>a. Fill existing vacant Golf Operations Supervisor role with experienced Golf Professional.</p> <ul style="list-style-type: none"> • Post job description and invite qualified candidates to apply. Criteria for position includes: <ol style="list-style-type: none"> 1. PGA member; 2. Significant multi-course experience in Head Professional or Director of Golf role; 3. Experience implementing advanced yield management processes and dynamic pricing capabilities; 4. Experience with teaching and managing a large scale teaching academy or lessons program with multiple instructors; 	<p>June 2016</p> <p>March 2016</p>	<p>Golf Manager, City Human Resources</p>	<p>Added managerial experience and support to help efficiently and effectively implement:</p> <ul style="list-style-type: none"> • Yield management processes and dynamic pricing program; • In-store and online merchandising; • Pace-of-play and playability improvement program; and, • Management and coordination of lessons program.



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<ul style="list-style-type: none"> 5. Experience managing a volunteer Marshal program; 6. Experience with improving pace-of-play and playability on golf courses; and, 7. Experience managing a limited in store merchandise operation as well as an online ecommerce retail store. <ul style="list-style-type: none"> • Evaluate candidates and hire the most qualified and capable resource within the City's pre-existing budget for the position. 	June 2016		
<p>b. End pro shop concession agreements.</p> <ul style="list-style-type: none"> • Complete and file appropriate documents and notices required to immediately terminate pro shop and retail concessionaire contracts at all golf courses. 	June 2016	Golf Manager, Procurement, Legal	Provide the City with the ability to offer consistent service across all facilities in the short-term by self-operating.
<p>c. Take back pro shop operations and re-organize starter operations.</p> <ul style="list-style-type: none"> • Communicate to the market – via all available channels - that the City is assuming operating responsibility in the short-term for pro shops in order to ensure essential accessories and limited merchandise are available to golfers at the time of check-in. • Leverage existing experience at certain locations currently operating without a functioning pro shop - where the City is selling limited accessories - to offer the same type of limited sales through the Starter windows immediately following closure of third party pro shops. • Utilize a portion of the Capital Maintenance expenses budgeted for 2016 to design and upgrade each of the pro shop facilities: <ul style="list-style-type: none"> 1. Move starters into the pro shops; 2. Create an area with a counter and display cases where concessionary items and accessories can be easily seen and 	<p>June 2016</p> <p>June 2016</p> <p>June 2016</p> <p>June 2016</p>	Golf Manager, Communications Team, Golf Operations Supervisor; Golf Starter Supervisor IIs.	Consolidate starter resources and pro shop resources in order to improve efficiency of operations, reduce costs and enhance service and product offerings for patrons.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>purchased at the same time as green fees;</p> <ol style="list-style-type: none"> 3. Line-up system to manage and direct traffic within the shops (also consumes space and provides appearance of greater organization); 4. Vendor signs, advertisements and displays; and, 5. If necessary to fill significant excess space, add a 'lounge area' with visually appealing, yet cost effective furniture in order to provide a reinvigorated appearance. 			
<p>d. Plan for inventory, revenue and expense requirements associated with pro shop operations.</p> <ul style="list-style-type: none"> • Evaluate inventory requirement and order based on the assumption that the City should generate \$0.55 to \$0.60 per round in revenue, increasing over the next few years as the City improves its offering and golfers begin to rely on the Courses for accessories. The City should price its products to ensure a 25% to 35% margin (65% to 75% cost of goods sold). • Track and monitor financial performance metrics of all pro shops over the next year(s) to ensure a complete understanding of the value to the City when self-operated. 	<p>March 2016</p>	<p>Golf Operations Supervisor; Golf Starter Supervisor II.</p>	<p>Appropriate levels of inventory based on anticipated volume and a cost effective operating model.</p>
<p>e. Seek out a large-scale third party retailer, distributor or manufacturer to partner with in the long-term.</p> <ul style="list-style-type: none"> • Seek out and engage in preliminary conversations with large-scale retailers, distributors and manufacturers to gauge interest in partnering with the City to stock the pro shops with hard goods and soft goods and help with merchandising in order to offer golf equipment and larger merchandise for sale, as well as to develop fitting centers at appropriate locations. Interest is anticipated in two forms: i) liquidation centers, and ii) large-scale club fitting and sales 	<p>March 2018</p> <p>March 2017</p>	<p>Golf Manager, Procurement, Finance, Golf Operations Supervisor</p>	<p>Increase revenue opportunities for the City and significantly enhanced product and service offerings for patrons.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> Design and implement a sophisticated lessons program that includes the process and necessary technology to certify and manage all teaching professionals who provide lessons to golfers at City facilities. 	December 2016	Starter Supervisor II.	at all levels. Expanded audience of potential customers and thus increased revenue opportunity.
<ul style="list-style-type: none"> Deploy the new CRM technology platform to manage lesson reservations and payment from patrons on behalf of the certified teachers in exchange for a percentage of lessons revenue of 20% to 25%. All lessons revenue will be collected and managed by the City. 	March 2017		This program will be considered a break-even proposition, with all proceeds redirected back into improving the program and related facilities, which will encourage both golfers and instructors alike to engage as continuous improvements are evidenced.
<ul style="list-style-type: none"> Communicate to all golf professionals in the LA area and existing teachers active at City facilities via e-mail blasts, through the SCGA and via planned presentations and Town Hall sessions about the City's new program, the benefits of the program and how to become certified. 	March 2016		
<ul style="list-style-type: none"> Design and implement a process whereby teachers are able to register online. Certification will be relatively straight forward and include basic personal details, background checks and certifications. Teachers' profiles will be loaded onto the City website, categorized based on preferred City teaching facilities, years of experience, certifications (PGA, etc.) as well as customer ratings. 	December 2016		
<ul style="list-style-type: none"> The software program for reservations will be implemented in a manner that provides for customer feedback ratings specific to their instructor that is posted to the teacher's profile and available for other customers to review. 	March 2017		
<ul style="list-style-type: none"> The City should use its share of lessons revenue to cover the cost of administering the program and set aside a portion or all net proceeds after administrative costs, to fund range and teaching facility enhancements. 	March 2018		



Action Plan	Completion Deadline	Assigned To	Intended Outcome
X. FOOD AND BEVERAGE OFFERINGS			
<p>a. Develop and implement a contingency plan for food and beverage operations and trial service options.</p> <ul style="list-style-type: none"> • Develop and pre-register a short list of approved and qualified on-demand vendors (food trucks, caterers, vending machine providers, etc.) that the City can call on in the event of a service disruption or increased need at any of its facilities on short notice. Important on-demand service requirements include: <ol style="list-style-type: none"> 1. Provide and serve beverages and confectionary items (tea, coffee, juice, soda, snack bars, candy bars, chips, etc.); 2. Provide and serve alcoholic beverages; 3. Stock and staff beverage carts with the above product mix; and, 4. Provide both hot and cold meal options (pre-wrapped sandwiches, hot dogs, hamburgers, sausages, etc.) to be grilled on a barbeque, also to be provided along with toppings. • Test the market via pilot program at Harbor Park and Hansen Dam to gather information and feedback and provide a template to enact as a contingency plan should any existing concessionaire abandon their post at other facilities: <ol style="list-style-type: none"> 1. Engage a third party caterer to lease refrigeration display units and stock the pro shops with drinks, alcoholic beverages, snacks and other confectionary items; 2. Have the Starter Attendant on duty sell these items through the pro shop point of sale system. These items should be simple items that are easily inventoried and controlled (i.e. sold like a sleeve of golf balls); 3. In order to provide hot food options, structure a short-term service permit with a successful/pre-qualified food truck operator to station at the Courses during peak times and provide the food truck operator with a parking spot in close 	<p>December 2016</p> <p>March 2016</p> <p>December 2016</p>	<p>Golf Manager, Chief Management Analyst, Golf Operations Supervisor; Golf Starter Supervisor II.</p>	<p>Cost effective solutions and contingency plans in place and tested to ensure uninterrupted service to golfers at all City of LA facilities.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>proximity to the first and tenth tee (if applicable); and,</p> <p>4. Invest in two or three picnic tables for seating in close proximity to the food truck parking area. Charge the food truck operators a nominal monthly rental fee for the parking space.</p> <ul style="list-style-type: none"> • Include beverage carts for all regulation length courses in their golf cart equipment arrangements and lease them to existing and future concessionaires, requiring the carts to be in use by concessionaires during peak times - to be specified by the City. During the pilot program, staff the beverage carts at Harbor Park and Hansen Dam with contract workers and evaluate the profitability going forward. 	<p>December 2016</p>		
<p>b. Do not include banquet operations for tournaments in any new food and beverage concessions agreements.</p> <ul style="list-style-type: none"> • Any new food and beverage agreements formed with concessionaires will not include tournament banquet operations. • Leverage approved caterers identified through the exercise outlined in a. above to develop a template and pricing structure for catering tournaments and other golf related banquets. • The City should take back banquet operations to boost tournament sales. Food and beverage offerings at such events will be catered to allow for greater coordination and packaging of tournaments. 	<p>December 2016</p>	<p>Golf Manager, Chief Management Analyst, Golf Operations Supervisor; Golf Starter Supervisor II.</p>	<p>Improved control and coordination of tournament pricing and packaging.</p> <p>Increase tournament sales and revenues.</p> <p>Enhanced customer experience with one sole point of contact for tournaments, being the Golf Division.</p>
<p>c. Seek out large-scale restaurant chains to reinvigorate the food and beverage offerings in the long-term.</p> <ul style="list-style-type: none"> • Seek out and engage in preliminary conversations with potential large-scale restaurant chains to open franchised locations at City of 	<p>December 2017</p> <p>June 2016</p>	<p>Golf Manager, Chief Management Analyst, Golf Operations Supervisor; Golf Starter Supervisor</p>	<p>Robust food and beverage offerings that leverage the golf course locations to offer products and services to golfers and non-golfers alike, while significantly enhancing the offerings for golfers.</p>



Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>LA golf course facilities to serve not only the golfers, but also the non-golfing general public in the area. Interest is anticipated in the form of a long-term lease of the facilities, with considerable capital commitments on behalf of the third party entity upfront. The City’s objective should be stated very clearly: To significantly enhance the facilities via capital improvements, enhance food and beverage offerings to appeal to a broader audience, and ultimately provide access to even more residents, while remaining fiscally responsible.</p> <ul style="list-style-type: none"> • Develop and issue an Expression of Interest (“EOI”) to the market, targeting key Los Angeles based or focused franchises (Panera, Subway, Pizza Hut, etc.) that already have an established ‘food court style’ business model that would be willing to partner with the City and lease clubhouse space to develop and open franchise locations. The EOI should include details such as: <ol style="list-style-type: none"> 1. Mission Statement for the City and overarching strategic priorities; 2. Overview of captive market audience (rounds played and demographics of golfers – leverage the Market Analysis report attached); 3. Description of current programming and opportunities for significant enhancement; and, 4. Directive that partnership is being sought with one major entity for all City facilities, with the potential for different brands at each facility, to be based on alignment of brand target markets and the facilities target market. <p>Require details such as the following to be included in responses:</p> <ol style="list-style-type: none"> 1. Type of partnership being sought; 2. Plan for funding and any changes proposed to the existing capital improvements; 3. The financial commitments proposal; 4. Term duration; 5. Requirements (of City and Respondent); 	<p>December 2016</p>	<p>II.</p>	



Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> 6. Value added benefits to golfers and other local area residents; 7. Administrative and Management structure; and, 8. Similar Prior partnership experiences/references. <ul style="list-style-type: none"> • Evaluate all EOIs received and pursue the best opportunities. 	December 2017		
XI. NON-GOLF RELATED FACILITY USE			
<ul style="list-style-type: none"> a. Charge for parking at the Roosevelt parking lot. <ul style="list-style-type: none"> • Evaluate all parking options currently available to those attending an event at the Greek Theatre, including the pricing. • Develop a parking program at Roosevelt for event ticket holders based on the Greek Theatre calendar of events, pricing a parking spot at the highest price the market will bear and still fill all available spots. • Hire contract labor to manage parking and leverage existing Supervisors to oversee and manage activities, revenue collection and reporting. Run revenue through the golf POS. 	December 2017	Principal Grounds Maintenance Supervisor, Golf Operations Supervisor; Golf Starter Supervisor II, Senior Park Maintenance Supervisors.	Increased revenue and valuable service for residents attending events at the Greek Theatre.



Governance

Table 9: Strategic Action Plan – Governance

Action Plan	Completion Deadline	Assigned To	Intended Outcome
XII. PERFORMANCE MANAGEMENT AND EDUCATION			
<p>a. Maintain current Golf Advisory Committee structure.</p> <ul style="list-style-type: none"> Retain the City of Los Angeles Golf Advisory Committee (“GAC”) as a valuable feedback mechanism for the Golf Division. 	November 2015	Golf Division, Department of Parks and Recreation	Continued collaborative feedback and engagement process for the betterment of the City of LA golf courses.
<p>b. Commit to and fund an education platform for key management.</p> <ul style="list-style-type: none"> Require each manager level resource to complete continuing education every year. Develop a mechanism for each manager to propose specific training that will be helpful to the efficient and effective performance of their duties each year to their supervisor. Include a manager training budget per resource in the financial plan equal to between \$750 and \$3,500 per resource, depending on seniority. 	December 2016	Golf Manager, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor, Golf Starter Supervisors II, Senior Park Maintenance Supervisors, Park Maintenance Supervisors	Continuous access for Golf Division management to new ideas via educational programs, best practice resources, conferences and expert advice when needed.
<p>c. Develop and implement a comprehensive performance dashboard to monitor and continuously improve operations</p> <ul style="list-style-type: none"> Leverage the course-specific scorecard templates prepared in the Operational Review attached herein to develop and implement monthly performance dashboards that provide a snapshot of all key metrics at each facility and for the system as a whole. 	March 2016	Golf Manager, Financial Analyst II	<p>Improved monitoring capabilities for both revenues and expenses, which is more important than ever given the latitude in pricing and operations being requested of the Board of the Recreation & Parks Commission.</p> <p>Ability to identify areas of concern and make adjustments <i>on the fly</i> in a timely and effective manner.</p>

Facilities

Table 10: Strategic Action Plan – Facilities

Action Plan	Completion Deadline	Assigned To	Intended Outcome
XIII. CAPITAL IMPROVEMENTS			
<p>a. Implement a capital contribution surcharge on every round.</p> <ul style="list-style-type: none"> • Create a protected capital account to be used exclusively for capital related expenses at City of LA golf courses, and funnel the recommended contribution for every round from green fee revenue to this Capital Improvement Fund. • Set-up the Point of Sale system to record the capital contribution surcharge; separate it out as a new line-item on every green fee receipt. • Communicate this new approach to ensuring capital is adequately funded and maintained to the golfing population in conjunction with the communication plans already laid out previously with respect to the going forward Five-Year Strategic Plan. • Add a note to the bottom of every receipt that explains what the Capital Contribution Surcharge is and how it benefits every golfer. 	April 2016	Golf Manager, Golf Operations Supervisor, Golf Starter Supervisor II, Information Technology, Marketing and Communications Team	<p>Guaranteed and protected annual funds dedicated to repairing, maintaining and improving City golf course facilities.</p> <p>Passion and pride among golfers and a sense of contribution towards continuous improvement and the betterment of their courses.</p>
<p>b. Fund and address all deferred capital needs as quickly as possible via Municipal Bonds.</p> <ul style="list-style-type: none"> • Present Capital Plan and timing, as depicted in Appendix B (attached) to the Board of the Recreation & Parks Commission for approval, and work with Finance to design a funding mechanism (possibly a series of Municipal Bonds) for the Golf Division to draw down the needed funds. • Work with Finance to develop a comprehensive plan for repayment of said Bonds via the guaranteed income stream from the Capital Contribution Surcharge from every round of golf. 	<p>June 2017</p> <p>December 2016</p>	Golf Manager, Financial Analysis II, Procurement, Board of the Recreation & Parks Commission, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor, Golf Starter Supervisors II, Senior Park	Significantly improved golf facilities to support and promote revenue growth and the key strategies outlined within this Plan, funded via a secure income stream.

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> • Work with procurement to develop all the necessary Requests for Proposals (“RFP”) of services related to each capital project, issue the RFPs, evaluate the RFPs and award contracts based on project, timing and budget. • Leverage existing preferred vendors, ensuring competitive bids are obtained; and always reserve the right to re-negotiate or cancel the RFP. If necessary, engage a third party to assist with negotiations to ensure, as best you can, that the City obtains fair market pricing. • Schedule the projects and manage execution, making every effort to minimize disruption to patrons and revenues. 		Maintenance Supervisors, Park Maintenance Supervisors	
<p>c. Fund annual capital maintenance expenses through operations.</p> <ul style="list-style-type: none"> • Include a budget line item every year for capital maintenance at 5% of budgeted gross revenue. • Determine the annual spending plan initially based on recommendations contained in this Plan and on an as needed basis. • In the long-term, determine the annual spending plan and adjust the budget line from a straight 5% of gross revenue to actual requirements, driven by the findings of a comprehensive Capital Reserve Study. 	June 2017 June 2016 June 2016 June 2017	Golf Manager, Financial Analyst II, Finance	Improved and continuously maintained asset conditions, which protects the value of the City’s assets.
<p>d. Continue to maintain Capital Reserve Fund and utilize a portion of existing funds to offset business interruption costs.</p> <ul style="list-style-type: none"> • Implement a financial policy that requires the Golf Division to maintain a minimum Capital Reserve Fund, equal to two (2) times the annual capital maintenance projections across all golf facilities (benchmarked at 5% of gross revenue, or roughly \$2.7 million) in order to adequately address unforeseen issues and surprises. • Leverage existing capital account funds in excess of the minimum Capital Reserve Fund balance to help address deferred capital 	December 2016 December 2015	Golf Manager, Financial Analysis II, Finance	Minimum Capital Reserve Fund balance at all times to mitigate the risk of unforeseen events and needs.



Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>expenditures and business interruption costs.</p> <ul style="list-style-type: none"> Continue to maintain the Contingency Fund with respect to the Sepulveda Complex. 	<p>December 2016</p> <p>December 2015</p>		
<p>e. Complete a comprehensive Capital Reserve Study and prioritize capital projects.</p> <ul style="list-style-type: none"> Complete a comprehensive Capital Reserve Study to better understand current and future capital needs and to better segregate and account for deferred versus normal capital maintenance. 	<p>December 2016</p>	<p>Golf Manager, Financial Analyst II, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor</p>	<p>Comprehensive understanding of all future capital related expenses, funding requirements and timing.</p> <p>Significantly enhanced capital planning and budgeting.</p>
<p>f. Create and deploy a 'Capital Maintenance Squad' to work on capital related items across all facilities.</p> <ul style="list-style-type: none"> Establish a City-wide 'Capital Maintenance Squad' ("Squad") that consists of four to five members, one of which should be highly-skilled and knowledgeable in the field, while the remaining members can be general laborers who will receive guidance and training from the Squad leader. The Squad will constantly monitor and address capital maintenance requirements and conditions at all City of LA facilities. In addition to maintaining capital maintenance standards as outlined in the to-be-completed Agronomic Plan (see g. below), members of the Squad can also act as temporary workers during the turn-over period when a greens employee at a particular course has left their position. 	<p>June 2016</p>	<p>Golf Manager, Principal Grounds Maintenance Supervisor, Senior Park Maintenance Supervisors, Park Maintenance Supervisors</p>	<p>Considerably elevate course conditions across the entire system.</p>
<p>g. Develop and implement a comprehensive Agronomic Plan.</p> <ul style="list-style-type: none"> Complete a comprehensive Agronomic Plan - Please see Appendix D. 	<p>June 2016</p>	<p>Golf Manager, Principal Grounds Maintenance Supervisor</p>	<p>A key tool to establish and maintain the quality of course conditions.</p>

Action Plan	Completion Deadline	Assigned To	Intended Outcome
<p>h. Upgrade all driving ranges.</p> <ul style="list-style-type: none"> As part of the Capital Improvement Plan, upgrade all driving ranges as described in the Strategic Goals and Objectives section of this report. 	December 2018	Golf Manager, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor	Enhanced facilities to improve patron experience and increase utilization/revenue.
XIV. UNPROFITABLE FACILITY SOLUTIONS			
<p>a. Transfer responsibility for Holmby Park to the Parks branch of the Department of Recreation and Parks.</p> <ul style="list-style-type: none"> Work with the Parks branch of the Department of Recreation and Parks to transfer responsibility for maintaining Holmby Park. At a minimum, the Golf Division will attempt to structure a subsidy relationship with the Parks Branch of Recreation and Parks to ensure that the Golf Division is not measured and penalized by the losses incurred from maintaining a non-revenue generating park. 	June 2016	Golf Manager, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor	Reduced annual expense profile for the Golf Division.
<p>b. Lease, rent or solicit corporate sponsor to fully cover operating costs of Tregnan Academy.</p> <ul style="list-style-type: none"> Develop and issue an Expression of Interest (“EOI”) to the market, targeting key Los Angeles based or focused corporations such as airlines, large manufacturers, retailers or other entities that already have an established ‘Golf Academy’ business model that would be willing to partner with the City. Interest is anticipated in two forms: i) sponsorship, or ii) partnership (lease or joint-venture). The City’s objective should be stated very clearly: To bolster the City’s ‘grow the game’/‘Junior Golf’ initiatives, enhance offerings to appeal to a broader audience and ultimately provide access to even more residents, while remaining fiscally responsible. Require details similar to the other EOIs outlined herein. 	December 2016 March 2016	Golf Manager, Procurement, Finance, Golf Operations Supervisor	Reduced annual expense profile for the Golf Division and enhanced programming for Juniors and new golfers, furthering the City’s Mission and a key strategic goal.



Action Plan	Completion Deadline	Assigned To	Intended Outcome
<ul style="list-style-type: none"> Evaluate all EOIs received and pursue the best opportunities. 	December 2016		
XV. ALTERNATIVE FUNDING SOURCES			
<p>a. Actively solicit private grant and donor funding.</p> <ul style="list-style-type: none"> Prepare a marketing document explaining that the Golf Division is launching a grant and donor program to generate funds for various capital projects and other programs (Junior Golf, Golf Academy, etc.). This program will include an open opportunity to donate funds to a specific project or to a general fund for capital enhancements to the City golf courses. Participation will be recognized via a number of different avenues, depending on the donor’s request, and will be granted on a case-by-case basis depending on the donation/grant amount and request: <ol style="list-style-type: none"> Plaques on golf holes dedicated to donors; Plaques on benches at specifically requested locations; Named facilities (driving ranges, clubhouses and other buildings); and, Named programs and services (Junior Golf Camp, Golf Academy, etc.). Promote the program on the golf website and actively seek opportunities to have stories about the opportunity/program written in local newspapers and magazines. The City should also ensure the program is communicated via other available channels such as bulletin and event boards at the golf courses. 	December 2016	Golf Manager, Principal Grounds Maintenance Supervisor, Golf Operations Supervisor	Additional funding for capital improvements to the golf facilities.



SUMMARY OF FINANCIAL IMPACT

GGA analyzed the financial impact of the Strategic Action Plan outlined herein in accordance with detailed market due diligence and financial analytics. Overall, the Plan contained herein has been designed to drive volume, utilization and thus revenue at the City of LA courses, allowing all facilities to achieve a positive net income, before capital maintenance expenses. GGA initially evaluated the overall impact of the Strategic Action Plan in real-dollar terms, which is detailed in Appendix A (attached) and summarized below (irrespective of timing or inflation). Subsequently, GGA prepared five-year projections, based on estimated implementation timelines and costing, which are summarized in the pages following the financial impact and detailed in Appendix B (attached).

The following Table outlines the estimated revenue impact from recommendations for the City of LA Golf Division, which the projections assume will be realized over the course of the next five years.

Table 11: Estimated Overall Revenue Impact from Implementation of Strategic Plan

Revenue Key Performance Metrics	Actual 2014	Financial Impact	Adjusted Revenue
Revenue			
Green Fees Revenue (Incl. Capital Surcharge)	\$ 17,746,099	\$ 4,121,121	\$ 21,867,220
Electric Cart Rental Revenue	\$ 3,739,560	\$ 1,050,876	\$ 4,790,436
Driving Range Revenue	\$ 1,493,292	\$ 1,990,841	\$ 3,484,133
Merchandise Sales (Net)	\$ 10,240	\$ 342,194	\$ 352,434
Other Golf Course Revenue	\$ 177,032	\$ 26,384	\$ 203,416
Golf Concessions (Net)	\$ 183,000	\$ (181,568)	\$ 1,432
Food and Beverage Concessions (Net)	\$ 315,976	\$ 266,571	\$ 582,547
Tregnan Academy	\$ 174,146	\$ (174,146)	\$ -
Reservation Office	\$ 485,316	\$ 133,728	\$ 619,044
Golf Admin	\$ 60,514	\$ -	\$ 60,514
Total Revenue (Net)	\$ 24,385,175	\$ 7,576,001	\$ 31,961,176
Rounds Played	855,423	183,900	1,039,323

*Note: The potential revenue impact above does not include non-golf related revenue opportunities such as Amphitheatre parking and sponsorships.

- ▶ The City can increase rounds played by an estimated 183,900 across all facilities, resulting in an increase of Green Fee revenue of \$4,121,121.
 - 89,500 rounds can be added through the implementation of dynamic pricing. The most underutilized facilities will see the greatest increase in rounds due to dynamic pricing.
 - 51,610 rounds can be added through the removal of Resident rates. GGA has examined the ratio of Residents and Non-residents surrounding each facility, as well as the proportion of Resident vs. Non-resident play at each facility. Non-resident rounds were increased to match the corresponding Resident/Non-resident ratio surrounding each facility, as detailed in Appendix A.
 - An additional 42,790 rounds can be added through price adjustments in accordance with local market conditions surrounding each facility. Woodley Lakes and Hansen Dam will experience the greatest influx of new market-driven rounds as their rates have been lowered as to increase utilization.

- ▶ Electric Cart revenue will see an increase of \$1,050,876 due to the change in cart pricing structure—a 'per seat' rate of \$14 at all 18 hole facilities, which is in line with market conditions.
 - The current cart rates of \$24 (Double) and \$16 (Single) result in a weighted average cart price of approximately \$12.85 per seat. The new \$14 per seat results in an approximate 9% increase in Cart Revenue per round at facilities where this rate is implemented.
 - The remainder of the increased Cart revenue is a function of the increase in rounds played.

- ▶ Driving Range revenue is expected to increase by \$1,990,840, if recommendations outlined herein are implemented by the City.
 - The majority of this increase will be as a result of the City taking back the operation of the driving ranges at the Sepulveda and Griffith Park complexes, increasing Driving Range revenue by \$1,779,530.
 - GGA has assumed Driving Range revenue per round to be \$5.13 under a self-operated model, as this is the average revenue per round currently achieved by self-operated driving ranges, on average, at Rancho Park, Hansen Dam, and Woodley Lakes. See Appendix A.
 - The remaining increase in Driving Range revenue is attributed to the overall increase in rounds played, and inherent increase in utilization.

- ▶ Merchandise revenue is set to increase approximately \$342,194 through improved accessory and merchandise sales, including eventual club fitting services and direct order merchandise at City driving ranges.
 - According to the Patron Survey undertaken by GGA, 49% of players would make use of such services and order merchandise directly from a major retailer. A conservative amount of \$50 one-time spend was attributed to 49% of the estimated 13,000 golfers who make use of City courses with driving ranges. The number of golfers who use each facility is derived by dividing rounds played at each facility by the average number of rounds played each year by individual patrons; 42 rounds according to the Survey. See Appendix A.
- ▶ Other golf course revenue is estimated to increase \$26,384, purely as a function of increased rounds played.
- ▶ Golf Concessions revenue will decrease by an estimated \$181,568 due to the foregone collectable fees from third party driving range and pro shop operators.
- ▶ Food and Beverage Concessions revenue will increase by approximately \$266,571 due to additional rounds played, enhanced on-site offerings such as vending machines, and roving food and beverage trucks.
 - GGA has assumed a 20% increase to Food and Beverage Concessions revenue per round as a result of these changes.
- ▶ Tregnan Academy will be leased to a third party; thus, the City should forego \$174,146 in current revenue generated by the Academy.
- ▶ The reservation office will experience a spike in Loyalty Pass revenue of \$133,728, as the Pass will surge in popularity given the elimination of Resident rates.
 - GGA has assumed a 7% increase in Loyalty Pass sales to Non-residents using the same principals applied when determining new Non-resident rounds. On average, across all facilities, Non-resident participation must increase by 7% to match the ratio of Residents and Non-residents living in the market area.
 - Given the current structure of the 'Players Card', there are a substantial number of Pass holders who have pre-paid for the Pass for three years. Given these circumstances, GGA has used the average Reservation Office revenue from 2012 - 2014 from which to base the additional 7% increase.

The following Table outlines the projected expense impact from recommendations for the City of LA Golf Division.

Table 12: Estimated Overall Expense Impact from Implementation of Strategic Plan

Expense Key Performance Metrics	Actual 2014	Financial Impact	Adjusted Expense
Cost of Goods Sold	\$ 26,353	\$ -	\$ 26,353
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 3,741,786	\$ (26,596)	\$ 3,715,190
Other Golf Operations Expenses	\$ 1,201,154	\$ (77,083)	\$ 1,124,071
New Driving Range Operations Expenses	\$ -	\$ 628,725	\$ 628,725
Total Golf Operations Expenses	\$ 4,942,940	\$ 525,046	\$ 5,467,986
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 9,109,657	\$ (52,067)	\$ 9,057,590
Supplies & Contract Services	\$ 988,457	\$ (25,505)	\$ 962,952
Total Golf Maintenance Expenses	\$ 10,098,114	\$ (77,572)	\$ 10,020,542
Administrative Expenses			
Indirect Costs	\$ 3,696,803	\$ (178,059)	\$ 3,518,744
Total Administrative Expenses	\$ 8,595,952	\$ (298,093)	\$ 8,297,859
Total Expenses	\$ 23,637,006	\$ 149,381	\$ 23,786,387
Net Income	\$ 721,816	\$ 7,426,620	\$ 8,148,436
Capital Contribution Fund		\$ 1,705,178	
True Net Income	\$ 721,816	\$ 5,721,442	\$ 6,443,258

- ▶ Golf Operations payroll will decrease by \$26,596 as a result of having a full time Starter on the first hole at all of the busiest facilities during peak times (with the exception of Woodley Lakes, Hansen Dam, Penmar, Roosevelt, Rancho 9 and Los Feliz) in order to ensure patrons tee off at their designated tee-time and help coordinate with on-course volunteer Marshals, less the impact of Tregnan Academy reductions.
 - As a benchmark for total coverage cost for each facility, GGA has assumed that coverage will be attainable leveraging hourly resources that combined, will equate to roughly one Starter's salary of \$58,450, as per related salary documents provided by the

City. GGA has also assumed that existing Starter resources would assist during the periods of time when new First Tee Starters are not on the clock (slowest, off-peak days/times).

- ▶ Driving Range Operations expenses will increase by \$628,725 as a result of the City taking back control of driving range operations at Sepulveda and Griffith Park.
 - GGA has assumed expenses to be 35% of gross Driving Range revenue under a self-operated model, as this is the average expense rate currently experienced by self-operated driving ranges on average, at Rancho Park, Hansen Dam, and Woodley Lakes. See Appendix A.
- ▶ Golf Maintenance payroll is set to decrease by net \$52,067 due to the transfer of Holmby Park, the lease of the Tregnan Academy, and the implementation of the Capital Maintenance Squad.
 - Eliminating maintenance responsibilities at Holmby Park and Tregnan will result in a decrease of \$273,091 in Maintenance payroll. The addition of the Capital Maintenance Squad is set to increase Maintenance payroll by \$221,024 annually.
- ▶ Golf Maintenance supplies and contract services is set to decrease by \$25,505 due to the transfer of Holmby Park, and the leasing of the Tregnan Academy.

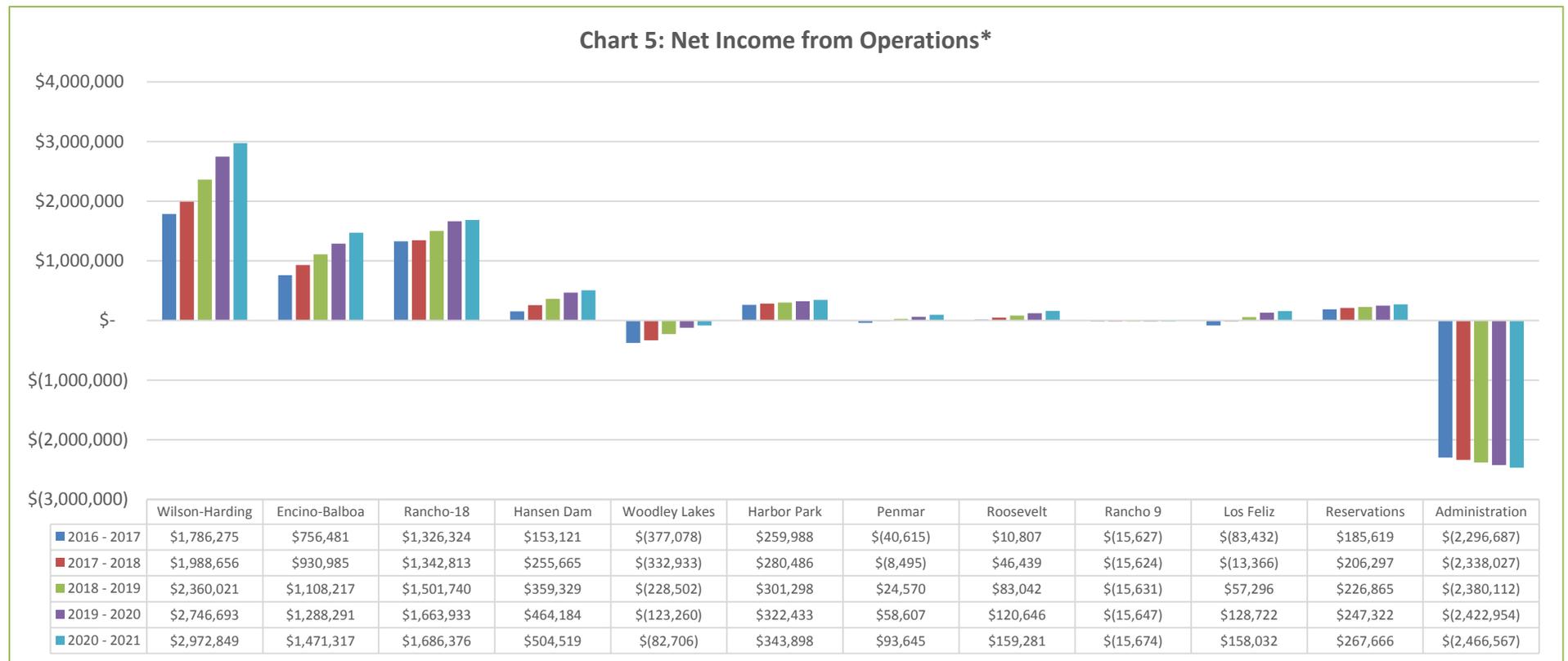


In order to better understand the estimated cash flow requirements and the impact over the next five years, detailed five-year projections are attached in Appendix B and summarized briefly in Table 13 and Chart 5, below:

Table 13: Summary of Financial Projections

Financial Projections	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Gross Margin	\$ 27,850,764	\$ 28,871,392	\$ 30,479,084	\$ 32,123,094	\$ 33,284,897
Expenses	\$ 25,245,631	\$ 25,114,567	\$ 25,588,011	\$ 26,070,362	\$ 26,561,788
Capital Maintenance Expenses	\$ 1,355,250	\$ 1,413,929	\$ 1,492,938	\$ 1,573,761	\$ 1,630,474
Net Income Including Capital Surcharges	\$ 1,249,883	\$ 2,342,895	\$ 3,398,135	\$ 4,478,970	\$ 5,092,636
Capital Surcharges	\$ 1,499,720	\$ 1,585,381	\$ 1,673,641	\$ 1,764,564	\$ 1,831,306
Net Income Excluding Capital Surcharges	\$ (249,836)	\$ 757,514	\$ 1,724,494	\$ 2,714,406	\$ 3,261,330

Chart 5: Net Income from Operations*



* Net income includes Capital Contribution Surcharge income and annual Capital Maintenance expenses as operating expenses.

Please note:

This Plan relies on the timely, efficient and effective execution of every element of the Strategic Action Plan. The financial impact and projections herein should be considered estimates only. Failure to execute one or more of the Strategic Action Plan items herein will considerably increase the risk of non-performance. The risk also exists that market conditions and conditions for implementation may change, or that actual inflationary expense increases are above the 1.8% estimated in the projections.

Restrictions

This report is not intended for general circulation or publication and is strictly intended for The City of Los Angeles Golf Division. It is not to be reproduced or used for any other purpose other than outlined above without our prior written permission in each specific instance. GGA assumes no responsibility or liability for losses occasioned to the directors or shareholders, or to any other parties as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

GGA reserves the right (but will be under no obligation) to review all calculations included or referred to in this report and, if we consider it necessary, to revise our conclusions in light of any information which becomes known to GGA after the date of this report.

GGA instructs that its analysis must be considered as a whole and that selecting portions of the analysis or the factors considered by us, without considering all factors and analyses together, could create a misleading view of the process underlying the recommendations and conclusions herein. The preparation of a Strategic Plan and Action Plan, along with a Financial Impact Analysis and forward looking Financial Projections, is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

Global Golf Advisors Inc.



City of Los Angeles
Financial Impact Analysis - Summary
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	20.75
Net Rate per Discount Round	\$	16.88
Cart Revenue per Round	\$	4.37
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	4.72
Weighted Avg. Cart Price	\$	12.96
Driving Range Revenue per Round	\$	5.13
# of active golfers		21,251
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.37
F & B % Increase from Roving Trucks		20%
New F & B Concessions per Round	\$	0.44
Additional rounds from Dynamic Pricing		89,500
Additional rounds from removing Resident rates		51,610
Additional from other		42,790
Proposed Course Improvements	\$	19,496,052
Annual Debt Service (20yrs @ 2.5%)	\$	1,250,618
Contribution per round	\$	1.20

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 17,746,099	\$ 4,121,121	\$ 21,867,220
Electric Cart Rental Revenue	\$ 3,739,560	\$ 1,050,876	\$ 4,790,436
Driving Range Revenue	\$ 1,493,292	\$ 1,990,841	\$ 3,484,133
Merchandise Sales	\$ 10,240	\$ 342,194	\$ 352,434
Other Golf Course Revenue	\$ 177,032	\$ 26,384	\$ 203,416
Golf Concessions (Net)	\$ 183,000	-\$ 181,568	\$ 1,432
Food and Beverage Concessions (Net)	\$ 315,976	\$ 266,571	\$ 582,547
Tregnan	\$ 174,146	-\$ 174,146	\$ -
Reservation Office	\$ 485,316	\$ 133,728	\$ 619,044
Golf Admin	\$ 60,514	\$ -	\$ 60,514
Total Revenue (Net)	\$ 24,385,175	\$ 7,576,001	\$ 31,961,176
Rounds Played	855,423	183,900	1,039,323

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 26,353	\$ -	\$ 26,353
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 3,741,786	-\$ 26,596	\$ 3,715,190
Other Golf Operations Expenses	\$ 1,201,154	-\$ 77,083	\$ 1,124,071
New Driving Range Operations Expenses	\$ -	\$ 628,725	\$ 628,725
Total Golf Operations Expenses	\$ 4,942,940	\$ 525,046	\$ 5,467,986
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 9,109,657	-\$ 52,067	\$ 9,057,590
Supplies & Contract Services	\$ 988,457	-\$ 25,505	\$ 962,952
Total Golf Maintenance Expenses	\$ 10,098,114	-\$ 77,572	\$ 10,020,542
Administrative Expenses			
Indirect Costs	\$ 3,696,803	-\$ 178,059	\$ 3,518,744
Total Administrative Expenses	\$ 8,595,952	-\$ 298,093	\$ 8,297,859
Total Expenses	\$ 23,637,006	\$ 149,381	\$ 23,786,387
Net Income	\$ 721,816	\$ 7,426,620	\$ 8,148,436
Capital Contribution Fund		\$ 1,705,178	\$ 1,705,178
True Net Income	\$ 721,816	\$ 5,721,442	\$ 6,443,258

City of Los Angeles
Financial Impact Analysis - Encino/Balboa
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	24.58
Net Rate per Discount Round	\$	16.88
Cart Revenue per Round	\$	6.47
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	7.05
Weighted Avg. Cart Price	\$	12.85
Driving Range Revenue per Round	\$	5.13
# of active golfers		3,839
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.59
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.71
Additional rounds from Dynamic Pricing		20,000
Additional rounds from removing Resident rates		9,510
Additional rounds from Market Adjustments		-
Proposed Course Improvements	\$	3,071,052
Annual Debt Service (20yrs @ 2.5%)	\$	197,000
Min. required capital surcharge / Round	\$	1.24
Net Rate Impact from Price Adjustments	\$	1.77
Capital Contribution Surcharge	\$	2.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 3,194,485	\$ 853,712	\$ 4,048,197
Electric Cart Rental Revenue	\$ 840,763	\$ 283,218	\$ 1,123,981
Driving Range Revenue	\$ -	\$ 818,165	\$ 818,165
Merchandise Sales (Net)	\$ -	\$ 94,068	\$ 94,068
Other Golf Course Revenue	\$ 19,334	\$ 4,390	\$ 23,724
Golf Concessions (Net)	\$ 50,839	-\$ 50,839	\$ -
Food and Beverage Concessions (Net)	\$ 76,681	\$ 36,228	\$ 112,909
Total Revenue (Net)	\$ 4,182,102	\$ 2,038,943	\$ 6,221,045
Rounds Played	129,976	29,510	159,486.44

Starter Salary	\$	58,450
Capital Improvement Squad Total Salary	\$	221,024
18 Hole Equivalent Courses		2
% of Capital Squad Allocated to Facility		21%
Driving Range Expenses as % of Revenue		35%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 3,580	\$ -	\$ 3,580
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 531,987	\$ 58,450	\$ 590,437
Other Golf Operations Expenses	\$ 170,842	\$ -	\$ 170,842
Driving Range Operations Expenses	\$ -	\$ 289,066	\$ 289,066
Total Golf Operations Expenses	\$ 702,829	\$ 347,516	\$ 1,050,345
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 1,741,218	\$ 46,531	\$ 1,787,749
Supplies & Contract Services	\$ 164,372	\$ -	\$ 164,372
Total Golf Maintenance Expenses	\$ 1,905,590	\$ 46,531	\$ 1,952,121
Administrative Expenses			
Indirect Costs	\$ 666,603	\$ -	\$ 666,603
Total Administrative Expenses	\$ 1,152,081	\$ -	\$ 1,152,081
Total Expenses	\$ 3,760,500	\$ 394,047	\$ 4,154,547
Net Income	\$ 418,022	\$ 1,644,895	\$ 2,062,917
Capital Contribution Fund		\$ 318,973	\$ 318,973
True Net Income	\$ 418,022	\$ 1,325,923	\$ 1,743,945

City of Los Angeles

Financial Impact Analysis - Woodley Lakes
Appendix A - For Illustration Purposes Only

Net Rate per Round	\$	24.89
Net Rate per Discount Round	\$	16.88
Cart Revenue per Round	\$	7.47
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	7.56
Weighted Avg. Cart Price	\$	12.85
Driving Range Revenue per Round	\$	5.04
# of active golfers		1,411
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.12
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.14
Additional rounds from Dynamic Pricing		10,000
Additional rounds from removing Resident rates		2,145
Additional rounds from Market Adjustments		10,000
Proposed Course Improvements	\$	1,820,000
Annual Debt Service (20yrs @ 2.5%)	\$	116,748
Min. required capital surcharge / Round	\$	1.45
Net Rate Impact from Price Adjustments	-\$	2.10
Capital Contribution Surcharge	\$	2.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,459,138	\$ 301,531	\$ 1,760,669
Electric Cart Rental Revenue	\$ 438,130	\$ 172,557	\$ 610,687
Driving Range Revenue	\$ 295,261	\$ 111,540	\$ 406,801
Merchandise Sales (Net)	\$ 10,240	\$ 24,335	\$ 34,575
Other Golf Course Revenue	\$ 13,354	\$ 5,045	\$ 18,399
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 6,934	\$ 4,530	\$ 11,464
Total Revenue (Net)	\$ 2,223,057	\$ 619,538	\$ 2,842,595
Rounds Played	58,620	22,145	80,765
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	1		
% of Capital Squad Allocated to Facility	11%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 8,453	\$ -	\$ 8,453
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 437,880	\$ -	\$ 437,880
Other Golf Operations Expenses	\$ 188,966	\$ -	\$ 188,966
Total Golf Operations Expenses	\$ 626,846	\$ -	\$ 626,846
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 1,123,180	\$ 23,266	\$ 1,146,445.68
Supplies & Contract Services	\$ 64,628	\$ -	\$ 64,628
Total Golf Maintenance Expenses	\$ 1,187,808	\$ 23,266	\$ 1,211,074
Administrative Expenses			
Indirect Costs	\$ 435,469	\$ -	\$ 435,469
Total Administrative Expenses	\$ 675,553	\$ -	\$ 675,553
Total Expenses	\$ 2,490,207	\$ 23,266	\$ 2,513,473
Net Income	-\$ 275,603	\$ 596,272	\$ 320,669
Capital Contribution Fund		\$ 161,529	\$ 161,529
True Net Income	-\$ 275,603	\$ 434,743	\$ 159,140

City of Los Angeles

Financial Impact Analysis - Hansen Dam
Appendix A - For Illustration Purposes Only

Net Rate per Round	\$	25.06
Net Rate per Discount Round	\$	16.88
Cart Revenue per Round	\$	7.60
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	7.7
Weighted Avg. Cart Price	\$	12.85
Driving Range Revenue per Round	\$	4.29
# of active golfers		1,612
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.23
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.27
Additional rounds from Dynamic Pricing		10,000
Additional rounds from removing Resident rates		5,503
Additional rounds from Market Adjustments		5,000
Proposed Course Improvements	\$	1,305,000
Annual Debt Service (20yrs @ 2.5%)	\$	83,712
Min. required capital surcharge / Round	\$	0.96
Net Rate Impact from Price Adjustments	-\$	1.13
Capital Contribution Surcharge	\$	2.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,678,110.00	\$ 333,264	\$ 2,011,374
Electric Cart Rental Revenue	\$ 508,893.00	\$ 163,599	\$ 672,492
Driving Range Revenue	\$ 287,173.00	\$ 87,942	\$ 375,115
Merchandise Sales (Net)	\$ -	\$ 39,489	\$ 39,489
Other Golf Course Revenue	\$ 6,212.00	\$ 1,902	\$ 8,114
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 15,228.00	\$ 8,642	\$ 23,870
Total Revenue (Net)	\$ 2,495,616	\$ 634,838	\$ 3,130,454
Rounds Played	66,952	20,503	87,454.90
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	1		
% of Capital Squad Allocated to Facility	11%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 436,754	\$ -	\$ 436,754
Other Golf Operations Expenses	\$ 175,060	\$ -	\$ 175,060
Total Golf Operations Expenses	\$ 611,814	\$ -	\$ 611,814
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 894,968	\$ 23,266	\$ 918,233.68
Supplies & Contract Services	\$ 93,946	\$ -	\$ 93,946
Total Golf Maintenance Expenses	\$ 988,914	\$ 23,266	\$ 1,012,180
Administrative Expenses			
Indirect Costs	\$ 368,106	\$ -	\$ 368,106
Total Administrative Expenses	\$ 617,499	\$ -	\$ 617,499
Total Expenses	\$ 2,218,227	\$ 23,266	\$ 2,241,493
Net Income	\$ 275,599	\$ 611,573	\$ 887,172
Capital Contribution Fund		\$ 174,910	\$ 174,910
True Net Income	\$ 275,599	\$ 436,663	\$ 712,262

City of Los Angeles

Financial Impact Analysis - Rancho Park 18
Appendix A - For Illustration Purposes Only

Net Rate per Round	\$	28.10
Net Rate per Discount Round	\$	17.98
Cart Revenue per Round	\$	6.35
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	6.92
Weighted Avg. Cart Price	\$	12.85
Driving Range Revenue per Round	\$	6.06
# of active golfers		2,388
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.34
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.40
Additional rounds from Dynamic Pricing		-
Additional rounds from removing Resident rates		1,288
Additional rounds from Market Adjustments		
Proposed Course Improvements	\$	4,120,000
Annual Debt Service (20yrs @ 2.5%)	\$	264,286
Min. required capital surcharge / Round	\$	2.63
Net Rate Impact from Price Adjustments	\$	3.36
Capital Contribution Surcharge	\$	2.50

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 2,788,268	\$ 373,886	\$ 3,162,154
Electric Cart Rental Revenue	\$ 629,780	\$ 65,273	\$ 695,053
Driving Range Revenue	\$ 910,858	\$ 11,829	\$ 922,687
Merchandise Sales (Net)	\$ -	\$ 58,516	\$ 58,516
Other Golf Course Revenue	\$ 42,938	\$ 558	\$ 43,496
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 33,333	\$ 7,186	\$ 40,519
Total Revenue (Net)	\$ 4,405,177	\$ 517,247	\$ 4,922,424
Rounds Played	99,210	1,288	100,498
Starter Salary	\$ 58,450		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	1		
% of Capital Squad Allocated to Facility	11%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 627,098	\$ 58,450	\$ 685,548
Other Golf Operations Expenses	\$ 251,912	\$ -	\$ 251,912
Total Golf Operations Expenses	\$ 879,010	\$ 58,450	\$ 937,460
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 1,108,307	\$ 23,266	\$ 1,131,572.68
Supplies & Contract Services	\$ 194,819	\$ -	\$ 194,819
Total Golf Maintenance Expenses	\$ 1,303,126	\$ 23,266	\$ 1,326,392
Administrative Expenses			
Indirect Costs	\$ 465,337	\$ -	\$ 465,337
Total Administrative Expenses	\$ 705,403	\$ -	\$ 705,403
Total Expenses	\$ 2,887,539	\$ 81,716	\$ 2,969,255
Net Income	\$ 1,515,848	\$ 435,532	\$ 1,951,380
Capital Contribution Fund		\$ 251,246	\$ 251,246
True Net Income	\$ 1,515,848	\$ 184,285	\$ 1,700,133

City of Los Angeles
Financial Impact Analysis - Wilson/Harding
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	28.43
Net Rate per Discount Round	\$	17.43
Cart Revenue per Round	\$	6.98
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	7.61
Weighted Avg. Cart Price	\$	12.85
Driving Range Revenue per Round	\$	5.13
# of active golfers		3,839
Merchandise Revenue per golfer	\$	50.00
F & B Concessions per Round	\$	0.69
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.83
Additional rounds from Dynamic Pricing		12,000
Additional rounds from removing Resident rates		15,946
Additional rounds from Market Adjustments		-
Proposed Course Improvements	\$	2,770,000
Annual Debt Service (20yrs @ 2.5%)	\$	177,688
Min. required capital surcharge / Round	\$	0.95
Net Rate Impact from Price Adjustments	\$	2.14
Capital Contribution Surcharge	\$	2.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 4,533,855	\$ 1,063,604	\$ 5,597,459
Electric Cart Rental Revenue	\$ 1,113,433	\$ 312,245	\$ 1,425,678
Driving Range Revenue	\$ -	\$ 961,365	\$ 961,365
Merchandise Sales (Net)	\$ -	\$ 94,049	\$ 94,049
Other Golf Course Revenue	\$ 20,965	\$ 3,674	\$ 24,639
Golf Concessions (Net)	\$ 130,729	-\$ 130,729	\$ -
Food and Beverage Concessions (Net)	\$ 110,479	\$ 45,330	\$ 155,809
Total Revenue (Net)	\$ 5,909,461	\$ 2,349,538	\$ 8,258,999
Rounds Played	159,455	27,946	187,401
Starter Salary	\$ 58,450		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	2		
% of Capital Squad Allocated to Facility	21%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	3,580	\$ -	\$ 3,580
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 559,637	\$ 58,450	\$ 618,087
Other Golf Operations Expenses	\$ 268,645	\$ -	\$ 268,645
Driving Range Operations Expenses		\$ 339,659	\$ 339,659.46
Total Golf Operations Expenses	\$ 828,282	\$ 398,109	\$ 1,226,391
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 2,145,159	\$ 46,531	\$ 2,191,690.37
Supplies & Contract Services	\$ 230,820	\$ -	\$ 230,820
Total Golf Maintenance Expenses	\$ 2,375,979	\$ 46,531	\$ 2,422,510
Administrative Expenses			
Indirect Costs	\$ 767,814	\$ -	\$ 767,814
Total Administrative Expenses	\$ 1,249,544	\$ -	\$ 1,249,544
Total Expenses	\$ 4,453,805	\$ 444,641	\$ 4,898,446
Net Income	\$ 1,452,076	\$ 1,904,898	\$ 3,356,974
Capital Contribution Fund		\$ 374,801	\$ 374,801
True Net Income	\$ 1,452,076	\$ 1,530,097	\$ 2,982,173

City of Los Angeles

Financial Impact Analysis - Harbor Park
Appendix A - For Illustration Purposes Only

Net Rate per Round	\$	13.81
Net Rate per Discount Round	\$	9.54
Cart Revenue per Round	\$	2.07
New Cart Price	\$	6.00
New Cart Revenue per Round	\$	2.49
Weighted Avg. Cart Price	\$	5.00
Driving Range Revenue per Round	\$	-
# of active golfers		2,412
Merchandise Revenue per round	\$	0.09
F & B Concessions per Round	\$	0.04
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.05
Additional rounds from Dynamic Pricing		5,000
Additional rounds from removing Resident rates		-
Additional rounds from Market Adjustments		-
Proposed Course Improvements	\$	830,000
Annual Debt Service (20yrs @ 2.5%)	\$	53,242
Min. required capital surcharge / Round	\$	0.51
Net Rate Impact from Price Adjustments	\$	1.35
Capital Contribution Surcharge	\$	1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,383,451	\$ 189,713	\$ 1,573,164
Electric Cart Rental Revenue	\$ 207,729	\$ 53,983	\$ 261,712
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ 9,206	\$ 9,206
Other Golf Course Revenue	\$ 13,487	\$ 673	\$ 14,160
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 4,000	\$ 1,039	\$ 5,039
Total Revenue (Net)	\$ 1,608,667	\$ 254,615	\$ 1,863,282
Rounds Played	100,211	5,000	105,211
Starter Salary	\$ 58,450		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	0.5		
% of Capital Squad Allocated to Facility	5%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 305,925	\$ 58,450	\$ 364,375
Other Golf Operations Expenses	\$ 63,006	\$ -	\$ 63,006
Total Golf Operations Expenses	\$ 368,931	\$ 58,450	\$ 427,381
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 490,327	\$ 11,633	\$ 501,959.84
Supplies & Contract Services	\$ 66,414	\$ -	\$ 66,414
Total Golf Maintenance Expenses	\$ 556,741	\$ 11,633	\$ 568,374
Administrative Expenses			
Indirect Costs	\$ 216,703	\$ -	\$ 216,703
Total Administrative Expenses	\$ 336,736	\$ -	\$ 336,736
Total Expenses	\$ 1,262,408	\$ 70,083	\$ 1,332,491
Net Income	\$ 344,469	\$ 184,532	\$ 529,001
Capital Contribution Fund	\$ -	\$ 105,211	\$ 105,211
True Net Income	\$ 344,469	\$ 79,321	\$ 423,790

City of Los Angeles

Financial Impact Analysis - Penmar

Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	13.81
Net Rate per Discount Round	\$	9.27
Cart Revenue per Round	\$	0.01
New Cart Price	\$	-
New Cart Revenue per Round	\$	-
Weighted Avg. Cart Price	\$	-
Driving Range Revenue per Round	\$	-
# of active golfers		2,187
Merchandise Revenue per round	\$	0.09
F & B Concessions per Round	\$	0.16
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.20
Additional rounds from Dynamic Pricing		5,000
Additional rounds from removing Resident rates		8,957
Additional rounds from Market Adjustments		-
Proposed Course Improvements	\$	1,255,000
Annual Debt Service (20yrs @ 2.5%)	\$	80,505
Min. required capital surcharge / Round	\$	0.77
Net Rate Impact from Price Adjustments	\$	1.47
Capital Contribution Surcharge	\$	1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,254,771	\$ 324,112	\$ 1,578,883
Electric Cart Rental Revenue	\$ 832	\$ -	\$ 832
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ 9,170	\$ 9,170
Other Golf Course Revenue	\$ 4,201	\$ 645	\$ 4,846
Golf Concessions (Net)	\$ 1,432	\$ -	\$ 1,432
Food and Beverage Concessions (Net)	\$ 14,837	\$ 5,703	\$ 20,540
Total Revenue (Net)	\$ 1,276,073	\$ 339,631	\$ 1,615,704
Rounds Played	90,848	13,957	104,805
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	0.5		
% of Capital Squad Allocated to Facility	5%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 236,180	\$ -	\$ 236,180
Other Golf Operations Expenses	\$ 4,361	\$ -	\$ 4,361
Total Golf Operations Expenses	\$ 240,541	\$ -	\$ 240,541
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 603,049	\$ 11,633	\$ 614,681.84
Supplies & Contract Services	\$ 90,631	\$ -	\$ 90,631
Total Golf Maintenance Expenses	\$ 693,680	\$ 11,633	\$ 705,313
Administrative Expenses			
Indirect Costs	\$ 247,640	\$ -	\$ 247,640
Total Administrative Expenses	\$ 370,337	\$ -	\$ 370,337
Total Expenses	\$ 1,304,558	\$ 11,633	\$ 1,316,191
Net Income	-\$ 30,275	\$ 327,998	\$ 297,723
Capital Contribution Fund		\$ 104,805	\$ 104,805
True Net Income	-\$ 30,275	\$ 223,193	\$ 192,918

City of Los Angeles

Financial Impact Analysis - Roosevelt

Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	12.62
Net Rate per Discount Round	\$	9.27
Cart Revenue per Round	\$	-
New Cart Price	\$	-
New Cart Revenue per Round	\$	-
Weighted Avg. Cart Price	\$	-
Driving Range Revenue per Round	\$	-
# of active golfers		1,989
Merchandise Revenue per round	\$	0.09
F & B Concessions per Round	\$	0.14
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	0.17
Additional rounds from Dynamic Pricing		7,500
Additional rounds from removing Resident rates		8,262
Additional rounds from Market Adjustments		-
Proposed Course Improvements	\$	2,875,000
Annual Debt Service (20yrs @ 2.5%)	\$	184,423
Min. required capital surcharge / Round	\$	1.87
Net Rate Impact from Price Adjustments	\$	1.55
Capital Contribution Surcharge	\$	1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 1,042,298	\$ 326,224	\$ 1,368,522
Electric Cart Rental Revenue	\$ -	\$ -	\$ -
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ 8,608	\$ 8,608
Other Golf Course Revenue	\$ 35,444	\$ 6,762	\$ 42,206
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 11,400	\$ 4,890	\$ 16,290
Total Revenue (Net)	\$ 1,089,142	\$ 346,484	\$ 1,435,626
Rounds Played	82,616	15,762	98,378
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	0.5		
% of Capital Squad Allocated to Facility	5%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 206,418	\$ -	\$ 206,418
Other Golf Operations Expenses	\$ 1,241	\$ -	\$ 1,241
Total Golf Operations Expenses	\$ 207,659	\$ -	\$ 207,659
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 502,271	\$ 11,633	\$ 513,903.84
Supplies & Contract Services	\$ 48,041	\$ -	\$ 48,041
Total Golf Maintenance Expenses	\$ 550,312	\$ 11,633	\$ 561,945
Administrative Expenses			
Indirect Costs	\$ 221,943	\$ -	\$ 221,943
Total Administrative Expenses	\$ 349,487	\$ -	\$ 349,487
Total Expenses	\$ 1,107,458	\$ 11,633	\$ 1,119,091
Net Income	-\$ 20,106	\$ 334,851	\$ 314,745
Capital Contribution Fund		\$ 98,378	\$ 98,378
True Net Income	-\$ 20,106	\$ 236,474	\$ 216,368

City of Los Angeles

Financial Impact Analysis - Rancho Park 9
Appendix A - For Illustration Purposes Only

Net Rate per Round	\$	6.39
Net Rate per Discount Round	\$	4.11
Cart Revenue per Round	\$	-
New Cart Price	\$	14.00
New Cart Revenue per Round	\$	-
Weighted Avg. Cart Price	\$	-
Driving Range Revenue per Round	\$	-
# of active golfers		1,228
Merchandise Revenue per golfer	\$	-
F & B Concessions per Round	\$	-
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	-
Additional rounds from Dynamic Pricing		10,000
Additional rounds from removing Resident rates		-
Additional rounds from Market Adjustments		-
Proposed Course Improvements	\$	875,000
Annual Debt Service (20yrs @ 2.5%)	\$	56,129
Min. required capital surcharge / Round	\$	0.92
Net Rate Impact from Price Adjustments	\$	0.97
Capital Contribution Surcharge	\$	1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 326,124	\$ 100,245	\$ 426,369
Electric Cart Rental Revenue	\$ -	\$ -	\$ -
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ -	\$ -
Other Golf Course Revenue	\$ 14,839	\$ 2,909	\$ 17,748
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ -	\$ -	\$ -
Total Revenue (Net)	\$ 340,963	\$ 103,155	\$ 444,118
Rounds Played	51,004	10,000	61,004
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	0.5		
% of Capital Squad Allocated to Facility	5%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ -	\$ -	\$ -
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 88,995	\$ -	\$ 88,995
Other Golf Operations Expenses	-	-	-
Total Golf Operations Expenses	\$ 88,995	\$ -	\$ 88,995
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 101,039	\$ 11,633	\$ 112,671.84
Supplies & Contract Services	\$ 705	\$ -	\$ 705
Total Golf Maintenance Expenses	\$ 101,744	\$ 11,633	\$ 113,377
Administrative Expenses			
Indirect Costs	\$ 66,243	\$ -	\$ 66,243
Total Administrative Expenses	\$ 126,260	\$ -	\$ 126,260
Total Expenses	\$ 316,999	\$ 11,633	\$ 328,632
Net Income	\$ 23,964	\$ 91,522	\$ 115,486
Capital Contribution Fund		\$ 61,004	\$ 61,004
True Net Income	\$ 23,964	\$ 30,518	\$ 54,482

City of Los Angeles
Financial Impact Analysis - Los Feliz
Appendix A - For Illustration Purposes Only



Net Rate per Round	\$	5.53
Net Rate per Discount Round	\$	3.39
Cart Revenue per Round	\$	-
New Cart Price	\$	-
New Cart Revenue per Round	\$	-
Weighted Avg. Cart Price	\$	-
Driving Range Revenue per Round	\$	-
# of active golfers		345
Merchandise Revenue per round	\$	0.09
F & B Concessions per Round	\$	3.01
F & B % Increase from Improvements		20%
New F & B Concessions per Round	\$	3.61
Additional rounds from Dynamic Pricing		10,000
Additional rounds from removing Resident rates		-
Additional rounds from Market Adjustments		30,000
Proposed Course Improvements	\$	575,000
Annual Debt Service (20yrs @ 2.5%)	\$	36,885
Min. required capital surcharge / Round	\$	0.68
Net Rate Impact from Price Adjustments	\$	1.13
Capital Contribution Surcharge	\$	1.00

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 79,202	\$ 261,226	\$ 340,428
Electric Cart Rental Revenue	\$ -	\$ -	\$ -
Driving Range Revenue	\$ -	\$ -	\$ -
Merchandise Sales (Net)	\$ -	\$ 4,753	\$ 4,753
Other Golf Course Revenue	\$ 1,604	\$ 4,480	\$ 6,084
Golf Concessions (Net)	\$ -	\$ -	\$ -
Food and Beverage Concessions (Net)	\$ 43,084	\$ 153,022	\$ 196,106
Total Revenue (Net)	\$ 123,890	\$ 423,481	\$ 547,371
Rounds Played	14,321	40,000	54,321
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ 221,024		
18 Hole Equivalent Courses	0.5		
% of Capital Squad Allocated to Facility	5%		
Driving Range Expenses as % of Revenue	35%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Total Cost of Goods Sold	\$ 1,790	\$ -	\$ 1,790
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 50,516	\$ -	\$ 50,516
Other Golf Operations Expenses	\$ 38	\$ -	\$ 38
Total Golf Operations Expenses	\$ 50,554	\$ -	\$ 50,554
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 127,048	\$ 11,633	\$ 138,680.84
Supplies & Contract Services	\$ 8,576	\$ -	\$ 8,576
Total Golf Maintenance Expenses	\$ 135,624	\$ 11,633	\$ 147,257
Administrative Expenses			
Indirect Costs	\$ 62,886	\$ -	\$ 62,886
Total Administrative Expenses	\$ 122,903	\$ -	\$ 122,903
Total Expenses	\$ 309,081	\$ 11,633	\$ 320,714
Net Income	-\$ 186,981	\$ 411,848	\$ 224,867
Capital Contribution Fund		\$ 54,321	\$ 54,321
True Net Income	-\$ 186,981	\$ 357,527	\$ 170,546

City of Los Angeles

Financial Impact Analysis - Holmby Park
Appendix A - For Illustration Purposes Only

Net Rate per Round	\$	2.89
Net Rate per Discount Round	-	
Cart Revenue per Round	-	
New Cart Price	-	
New Cart Revenue per Round	-	
Weighted Avg. Cart Price	-	
Driving Range Revenue per Round	-	
# of active golfers	-	
Merchandise Revenue per golfer	-	
F & B Concessions per Round	-	
F & B % Increase from Roving Trucks	-	
New F & B Concessions per Round	-	
Additional rounds from Dynamic Pricing	-	
Additional rounds from removing Resident rates	-	
Additional from other	-	2,210
Proposed Course Improvements	-	
Annual Debt Service (20yrs @ 2.5%)	-	
Contribution per round	-	

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue	\$ 6,397	-\$ 6,397	\$ -
Electric Cart Rental Revenue		\$ -	\$ -
Driving Range Revenue		\$ -	\$ -
Merchandise Sales (Net)		\$ -	\$ -
Other Golf Course Revenue	\$ 4,654	-\$ 4,654	\$ -
Golf Concessions (Net)		\$ -	\$ -
Food and Beverage Concessions (Net)		\$ -	\$ -
Total Revenue (Net)	\$ 11,051.0	-\$ 11,051	\$ -
Rounds Played	2,210	-2,210	\$ -

Starter Salary	\$ -
Capital Improvement Squad Total Salary	\$ -
18 Hole Equivalent Courses	0
% of Capital Squad Allocated to Facility	0%
Driving Range Expenses as % of Revenue	0%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)			
Other Golf Operations Expenses			
Total Golf Operations Expenses			
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 228,784	-\$ 228,784	\$ -
Supplies & Contract Services	\$ 1,949	-\$ 1,949	\$ -
Total Golf Maintenance Expenses	\$ 230,733	-\$ 230,733	\$ -
Administrative Expenses			
Indirect Costs	\$ 68,535	-\$ 68,535	\$ -
Total Administrative Expenses	\$ 128,552	-\$ 128,552	\$ -
Total Expenses	\$ 359,285	-\$ 359,285	\$ -
Net Income	-\$ 348,234	\$ 348,234	\$ -

City of Los Angeles

Financial Impact Analysis - Tregnan Academy

Appendix A - For Illustration Purposes Only



Net Rate per Round	-
Net Rate per Discount Round	-
Cart Revenue per Round	-
New Cart Price	-
New Cart Revenue per Round	-
Weighted Avg. Cart Price	-
Driving Range Revenue per Round	-
# of active golfers	-
Merchandise Revenue per golfer	-
F & B Concessions per Round	-
F & B % Increase from Roving Trucks	-
New F & B Concessions per Round	-
Additional rounds from Dynamic Pricing	-
Additional rounds from removing Resident rates	-
Additional from other	-
Proposed Course Improvements	-
Annual Debt Service (20yrs @ 2.5%)	-
Contribution per round	-

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue		\$ -	\$ -
Electric Cart Rental Revenue		\$ -	\$ -
Driving Range Revenue		\$ -	\$ -
Merchandise Sales (Net)		\$ -	\$ -
Tregnan	\$ 174,146	-\$ 174,146	\$ -
Golf Concessions (Net)		\$ -	\$ -
Food and Beverage Concessions (Net)		\$ -	\$ -
Total Revenue (Net)	\$ 174,146.0	-\$ 174,146	\$ -
Rounds Played		0	
Starter Salary	\$ -		
Capital Improvement Squad Total Salary	\$ -		
18 Hole Equivalent Courses	0		
% of Capital Squad Allocated to Facility	0%		
Driving Range Expenses as % of Revenue	0%		

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)	\$ 260,396	-\$ 260,396	\$ -
Other Golf Operations Expenses	\$ 77,083	-\$ 77,083	\$ -
Total Golf Operations Expenses	\$ 337,479	-\$ 337,479	\$ -
Golf Maintenance Expenses			
Payroll (Incl. Fringe)	\$ 44,307	-\$ 44,307	\$ -
Supplies & Contract Services	\$ 23,556	-\$ 23,556	\$ -
Total Golf Maintenance Expenses	\$ 67,863	-\$ 67,863	\$ -
Administrative Expenses			
Indirect Costs	\$ 109,524	-\$ 109,524	\$ -
Total Administrative Expenses	\$ 169,541	-\$ 169,541	\$ -
Total Expenses	\$ 574,883	-\$ 574,883	\$ -
Net Income	-\$ 400,737	\$ 400,737	\$ -

City of Los Angeles

Financial Impact Analysis - Reservation Office
Appendix A - For Illustration Purposes Only



Historic Pass Price	\$	25.00
Proposed Pass Price - Senior/Lifeline	\$	25.00
Proposed Pass Price - Regular	\$	30.00
New Net Pass Price		\$27.50
Average Annual Revenue 2012 - 2014	\$	525,003
Additional passes sold from removing Resident rates		7%
Market Adjustment		10%

Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue			
Electric Cart Rental Revenue			
Driving Range Revenue			
Merchandise Sales (Net)			
Reservation Office	\$ 485,316	\$ 133,728	\$ 619,044
Golf Concessions (Net)			
Food and Beverage Concessions (Net)			
Total Revenue (Net)	\$ 485,316.0	\$ 133,728	\$ 619,044
Passes Sold			

Starter Salary	\$	-
Capital Improvement Squad Total Salary	\$	-
18 Hole Equivalent Courses		0
% of Capital Squad Allocated to Facility		0%
Driving Range Expenses as % of Revenue		0%

Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)			
Other Golf Operations Expenses			
Total Golf Operations Expenses			
Golf Maintenance Expenses			
Payroll (Incl. Fringe)			
Supplies & Contract Services			
Total Golf Maintenance Expenses			
Administrative Expenses			
Indirect Costs			
Total Administrative Expenses	\$ 324,030	\$ -	\$ 324,030
Total Expenses	\$ 324,030	\$ -	\$ 324,030
Net Income	\$ 161,286	\$ 133,728	\$ 295,014

City of Los Angeles
 Financial Impact Analysis - Golf Admin.
 Appendix A - For Illustration Purposes Only



Revenue Key Performance Metrics	Actual 2014	Impact	Adjusted Revenue Line
Revenue			
Green Fees Revenue			
Electric Cart Rental Revenue			
Driving Range Revenue			
Merchandise Sales			
Other	\$ 60,514	\$ -	\$ 60,514
Golf Concessions (Net)			
Food and Beverage Concessions (Net)			
Total Revenue (Net)	\$ 60,514.0	\$ -	\$ 60,514
Passes Sold			
Expense Key Performance Metrics	Actual 2014	Impact	Adjusted Expense Line
Expenses			
Golf Operations Expenses (Starters/Carts)			
Payroll (Incl. Fringe)			
Other Golf Operations Expenses			
Total Golf Operations Expenses			
Golf Maintenance Expenses			
Payroll (Incl. Fringe)			
Supplies & Contract Services			
Total Golf Maintenance Expenses			
Administrative Expenses			
Indirect Costs			
Total Administrative Expenses	\$ 2,268,026	\$ -	\$ 2,268,026
Total Expenses	\$ 2,268,026	\$ -	\$ 2,268,026
Net Income	-\$ 2,207,512	\$ -	-\$ 2,207,512

City of Los Angeles
Financial Projections - Golf Division
Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	19,072,493	19,889,466	21,047,223	22,238,106	22,946,221
Electric Golf Carts	4,051,559	4,227,222	4,437,398	4,647,573	4,857,748
Driving Ranges/Lessons - Self Operated	3,128,472	3,236,225	3,368,945	3,504,394	3,642,640
Merchandise Sales (Net)	294,802	309,487	329,478	349,920	368,113
Other Golf Course Revenue	705,436	737,381	770,334	803,287	836,241
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	180,472	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	374,978	428,292	481,606	534,920	588,234
Other	62,959	64,092	65,245	66,420	67,615
Total Revenue	27,871,170	28,892,164	30,500,230	32,144,621	33,306,811
Cost of Goods Sold					
Concession Expenses	20,405	20,773	21,146	21,527	21,915
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	20,405	20,773	21,146	21,527	21,915
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	516,369	536,846	557,893	579,524	601,752
Indirect Costs (excl. fringe benefits)	222,099	230,814	239,770	248,975	258,433
Supplies and Contract Services	272,905	282,922	293,210	303,778	314,631
Total Driving Range Expenses	1,011,373	1,050,582	1,090,874	1,132,277	1,174,816
Golf Cart Expenses					
Payroll (incl. fringe benefits)	584,130	594,645	605,348	616,244	627,337
Indirect Costs (excl. fringe benefits)	255,255	259,849	264,527	269,288	274,135
Golf Cart Lease	399,322	406,509	413,827	421,275	428,858
Insurance	60,603	61,694	62,805	63,935	65,086
Supplies and Contract Services	133,695	136,102	138,551	141,045	143,584
Total Golf Cart Expenses	1,433,005	1,458,799	1,485,057	1,511,788	1,539,001
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	11,199	11,400	11,605	11,814	12,027
Payroll - Golf Operations (incl. fringe benefits)	3,291,670	3,076,208	3,131,580	3,187,948	3,245,331
Supplies and Contract Services - Junior Golf	513	522	532	541	551
Supplies and Contract Services - Golf Ops.	153,042	74,476	75,817	77,181	78,571
Total Other Golf Operations Expenses	3,456,423	3,162,606	3,219,533	3,277,485	3,336,479
Total Golf Operations Payroll (incl. fringe benefits)	4,403,368	4,219,099	4,306,426	4,395,530	4,486,447
Total Golf Operations Expenses	5,900,802	5,671,987	5,795,465	5,921,550	6,050,296
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	9,536,963	9,661,885	9,835,799	10,012,844	10,193,075
Supplies & Contract Services	1,022,342	1,015,893	1,034,179	1,052,794	1,071,745
Total Golf Maintenance Expenses	10,559,305	10,677,778	10,869,978	11,065,638	11,264,819
Administrative Expenses					
Payroll (incl. fringe benefits)	2,004,218	2,040,294	2,077,019	2,114,405	2,152,465
Labor Reimbursements	27,683	28,182	28,689	29,205	29,731
Indirect Costs	4,366,513	4,329,565	4,407,497	4,486,832	4,567,595
Utilities	2,301,274	2,279,380	2,320,409	2,362,176	2,404,695
Supplies & Contract Services	85,837	87,382	88,955	90,556	92,186

City of Los Angeles
Financial Projections - Golf Division
Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Total Administrative Expenses	8,785,525	8,764,802	8,922,569	9,083,175	9,246,672
Capital Maintenance Expenses	1,355,250	1,413,929	1,492,938	1,573,761	1,630,474
Total Expenses	26,600,881	26,528,497	27,080,949	27,644,124	28,192,261
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	1,249,883	2,342,895	3,398,135	4,478,970	5,092,636
Capital Surcharge Income	1,499,720	1,585,381	1,673,641	1,764,564	1,831,306
Income From Operations Excl. Capital Surcharge	(249,836)	757,514	1,724,494	2,714,406	3,261,330
Summary of Capital Improvements	2016 - 2017	2017 - 2018	2018 - 2019	2019	2020
Wilson-Harding	-	1,270,000	1,500,000	-	-
Encino-Balboa	-	1,571,052	1,500,000	-	-
Rancho-18	150,000	6,470,000	-	-	-
Hansen Dam	85,000	1,220,000	-	-	-
Woodley Lakes	-	1,070,000	750,000	-	-
Harbor Park	-	100,000	730,000	-	-
Penmar	-	250,000	1,005,000	-	-
Roosevelt	-	2,875,000	-	-	-
Rancho 9	-	875,000	-	-	-
Los Feliz	-	-	575,000	-	-
Total Capital Improvements	235,000	15,701,052	6,060,000	-	-
Business Interruption	-	1,618,622	1,150,577	-	-
Total Capital Improvement Costs	235,000	17,319,674	7,210,577	-	-
Funding					
Capital Surcharge Income	1,249,883				
Useable Current Capital Funds	4,800,000				
Capital Improvement Expenses	(235,000)	(17,319,674)	(7,210,577)	-	-
Total Funding Required	5,814,883	(11,504,790)	(18,715,367)	(18,715,367)	(18,715,367)
Interest Rate	2.50%	2.50%	2.50%	2.50%	2.50%
Amortization Period (years)	20	20	20	20	20
Annual Principal and Interest	\$0	(\$737,999)	(\$1,200,537)	(\$1,200,537)	(\$1,200,537)
Capital Surcharge Income		1,585,381	1,673,641	1,764,564	1,831,306
Net Capital Surcharge Fund (after P&I)	-	847,382	473,104	564,027	630,769
Cumulative Net Capital Surcharge Fund		847,382	1,320,486	1,884,513	2,515,282

City of Los Angeles

Financial Projections - Encino/Balboa

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	3,476,109	3,638,588	3,804,308	3,973,388	4,145,945
Electric Golf Carts	912,540	969,184	1,025,828	1,082,471	1,139,115
Driving Ranges/Lessons - Self Operated	697,054	740,423	785,128	831,202	878,681
Merchandise Sales (Net)	80,143	85,129	90,269	95,566	101,025
Other Golf Course Revenue	20,560	21,438	22,316	23,194	24,072
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	85,307	92,553	99,798	107,044	114,290
Other	-	-	-	-	-
Total Revenue	5,271,713	5,547,315	5,827,647	6,112,865	6,403,127
Cost of Goods Sold					
Concession Expenses	3,710	3,777	3,845	3,914	3,984
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	3,710	3,777	3,845	3,914	3,984
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	129,888	137,970	146,300	154,885	163,732
Indirect Costs (excl. fringe benefits)	54,792	58,201	61,715	65,337	69,069
Supplies and Contract Services	59,289	62,978	66,780	70,699	74,737
Total Driving Range Expenses	243,969	259,148	274,795	290,921	307,538
Golf Cart Expenses					
Payroll (incl. fringe benefits)	95,109	96,821	98,563	100,338	102,144
Indirect Costs (excl. fringe benefits)	41,899	42,653	43,421	44,202	44,998
Golf Cart Lease	95,837	97,562	99,318	101,106	102,926
Insurance	12,647	12,875	13,107	13,343	13,583
Supplies and Contract Services	11,465	11,671	11,881	12,095	12,313
Total Golf Cart Expenses	256,957	261,582	266,290	271,083	275,963
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	4,742	4,828	4,914	5,003	5,093
Payroll - Golf Operations (incl. fringe benefits)	510,962	520,159	529,522	539,054	548,757
Supplies and Contract Services - Junior Golf	289	294	300	305	311
Supplies and Contract Services - Golf Ops.	14,911	15,179	15,452	15,730	16,014
Total Other Golf Operations Expenses	530,904	540,460	550,189	560,092	570,174
Total Golf Operations Payroll (incl. fringe benefits)	740,701	759,777	779,300	799,279	819,725
Total Golf Operations Expenses	1,031,830	1,061,190	1,091,274	1,122,096	1,153,675
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	1,851,835	1,885,168	1,919,101	1,953,645	1,988,810
Supplies & Contract Services	170,343	173,409	176,530	179,708	182,942
Total Golf Maintenance Expenses	2,022,178	2,058,577	2,095,631	2,133,353	2,171,753

City of Los Angeles

Financial Projections - Encino/Balboa

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	5,540	5,640	5,741	5,845	5,950
Indirect Costs	690,817	703,251	715,910	728,796	741,915
Utilities	497,572	506,529	515,646	524,928	534,376
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	1,193,929	1,215,420	1,237,297	1,259,569	1,282,241
Capital Maintenance Expenses	263,586	277,366	291,382	305,643	320,156
Total Expenses	4,511,522	4,612,553	4,715,585	4,820,661	4,927,825
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	756,481	930,985	1,108,217	1,288,291	1,471,317
Capital Surcharge Income	271,756	288,664	306,093	324,055	342,566
Income From Operations Excl. Capital Surcharge	484,725	642,321	802,124	964,235	1,128,752
Capital Surcharge Income	271,756	288,664	306,093	324,055	342,566
Capital Improvements					
Proposed 10-Year Plan from City					
Install tee to green cart paths			1,500,000		
Redesign and renovate practice putting greens and chipping areas		275,000			
Electrical main panel replacement		875,000			
Tee leveling and tree trimming		421,052			
Total Capital Improvements	-	1,571,052	1,500,000	-	-
Business Interruption	-	-	(287,538)	-	-

City of Los Angeles

Financial Projections - Woodley Lakes

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	1,474,764	1,570,287.91	1,667,475	1,766,432	1,798,227
Electric Golf Carts	515,039	515,039	549,551	584,062	618,573
Driving Ranges/Lessons - Self Operated	345,192	345,192	367,499	389,807	412,115
Merchandise Sales (Net)	13,253	13,129	17,869	22,607	27,343
Other Golf Course Revenue	15,612	15,612	16,621	17,630	18,639
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	7,965	8,871	9,777	10,683	11,589
Other	-	-	-	-	-
Total Revenue	2,371,825	2,468,131	2,628,793	2,791,221	2,886,487
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	71,204	72,485	73,790	75,118	76,471
Indirect Costs (excl. fringe benefits)	31,367	31,932	32,507	33,092	33,688
Supplies and Contract Services	43,982	44,773	45,579	46,400	47,235
Total Driving Range Expenses	146,553	149,191	151,876	154,610	157,393
Golf Cart Expenses					
Payroll (incl. fringe benefits)	72,131	73,430	74,751	76,097	77,467
Indirect Costs (excl. fringe benefits)	31,776	32,348	32,930	33,523	34,126
Golf Cart Lease	63,891	65,041	66,212	67,404	68,617
Insurance	8,432	8,583	8,738	8,895	9,055
Supplies and Contract Services	7,181	7,310	7,442	7,575	7,712
Total Golf Cart Expenses	183,411	186,712	190,073	193,494	196,977
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	877	893	909	925	942
Payroll - Golf Operations (incl. fringe benefits)	309,574	315,146	320,819	326,594	332,472
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	9,202	9,367	9,536	9,707	9,882
Total Other Golf Operations Expenses	319,652	325,406	331,263	337,226	343,296
Total Golf Operations Payroll (incl. fringe benefits)	453,786	461,954	470,269	478,734	487,351
Total Golf Operations Expenses	649,616	661,309	673,212	685,330	697,666
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	1,211,774	1,233,586	1,255,790	1,278,394	1,301,405
Supplies & Contract Services	66,976	68,181	69,408	70,658	71,930
Total Golf Maintenance Expenses	1,278,749	1,301,767	1,325,198	1,349,052	1,373,335

City of Los Angeles

Financial Projections - Woodley Lakes

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	19	19	19	20	20
Indirect Costs	451,287	459,410	467,680	476,098	484,668
Utilities	248,786	253,264	257,823	262,464	267,188
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	700,092	712,693	725,522	738,581	751,876
Capital Maintenance Expenses	118,591	123,407	131,440	139,561	144,324
Total Expenses	2,747,048	2,799,175	2,855,372	2,912,524	2,967,201
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	(377,078)	(332,933)	(228,502)	(123,260)	(82,706)
Capital Surcharge Income	134,956	146,403	158,218	170,411	173,478
Income From Operations Excl. Capital Surcharge	(512,034)	(479,335)	(386,720)	(293,671)	(256,184)
Capital Surcharge Income	134,956	146,403	158,218	170,411	173,478
Capital Improvements					
Proposed 10-Year Plan from City					
Renovate driving range (new protective netting and synthetic turf la		850,000			
Install tee to green cart paths			750,000		
Tee leveling and tree trimming		220,000			
Total Capital Improvements	-	1,070,000	750,000	-	-
Business Interruption	-	-	(121,518)	-	-

City of Los Angeles

Financial Projections - Hansen Dam

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	1,715,142	1,812,702.36	1,912,165	2,013,618	2,049,863
Electric Golf Carts	550,773	583,493	616,213	648,933	681,652
Driving Ranges/Lessons - Self Operated	309,930	327,519	345,107	362,696	380,284
Merchandise Sales (Net)	33,455	35,915	38,453	41,071	41,811
Other Golf Course Revenue	6,704	7,085	7,465	7,846	8,226
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	17,230	18,959	20,687	22,415	24,144
Other	-	-	-	-	-
Total Revenue	2,633,235	2,785,673	2,940,091	3,096,578	3,185,979
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	51,527	52,455	53,399	54,360	55,338
Indirect Costs (excl. fringe benefits)	22,699	23,107	23,523	23,947	24,378
Supplies and Contract Services	28,866	29,385	29,914	30,453	31,001
Total Driving Range Expenses	103,091	104,947	106,836	108,759	110,717
Golf Cart Expenses					
Payroll (incl. fringe benefits)	80,971	82,429	83,912	85,423	86,960
Indirect Costs (excl. fringe benefits)	33,598	34,202	34,818	35,445	36,083
Golf Cart Lease	63,891	65,041	66,212	67,404	68,617
Insurance	8,432	8,583	8,738	8,895	9,055
Supplies and Contract Services	18,295	18,625	18,960	19,301	19,649
Total Golf Cart Expenses	205,187	208,880	212,640	216,468	220,364
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	861	877	892	909	925
Payroll - Golf Operations (incl. fringe benefits)	319,259	325,006	330,856	336,811	342,874
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	5,639	5,740	5,843	5,949	6,056
Total Other Golf Operations Expenses	325,759	331,623	337,592	343,669	349,855
Total Golf Operations Payroll (incl. fringe benefits)	452,619	460,766	469,060	477,503	486,098
Total Golf Operations Expenses	634,038	645,450	657,068	668,896	680,936

City of Los Angeles

Financial Projections - Hansen Dam

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	975,272	992,827	1,010,698	1,028,890	1,047,410
Supplies & Contract Services	97,358	99,111	100,895	102,711	104,560
Total Golf Maintenance Expenses	1,072,631	1,091,938	1,111,593	1,131,601	1,151,970
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	9,666	9,840	10,017	10,197	10,381
Indirect Costs	381,477	388,344	395,334	402,450	409,694
Utilities	248,786	253,264	257,823	262,464	267,188
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	639,929	651,448	663,174	675,111	687,263
Capital Maintenance Expenses	131,662	139,284	147,005	154,829	159,299
Total Expenses	2,478,259	2,528,120	2,578,839	2,630,437	2,679,468
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	153,121	255,665	359,329	464,184	504,519
Capital Surcharge Income	150,306	161,361	172,764	184,526	187,848
Income From Operations Excl. Capital Surcharge	2,815	94,304	186,565	279,658	316,672
Capital Surcharge Income	150,306	161,361	172,764	184,526	187,848
Capital Improvements					
Proposed 10-Year Plan from City					
Clubhouse renovation and ADA restroom remodel		700,000			
Starter Office Remodel: relocate service window and	85,000				
Parking lot upgrades to meet ADA		300,000			
Tee leveling and tree trimming		220,000			
Total Capital Improvements	85,000	1,220,000	-	-	-
Business Interruption	-	-	-	-	-

City of Los Angeles

Financial Projections - Rancho Park 18

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	2,940,052	2,998,012	3,206,939	3,420,357	3,487,739
Electric Golf Carts	654,171	667,225	680,280	693,334	706,389
Driving Ranges/Lessons - Self Operated	929,619	931,985	934,351	936,717	939,083
Merchandise Sales (Net)	57,915	59,111	60,330	61,574	62,844
Other Golf Course Revenue	43,822	43,934	44,045	44,157	44,269
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	35,370	36,807	38,245	39,682	41,119
Other	-	-	-	-	-
Total Revenue	4,660,950	4,737,074	4,964,190	5,195,821	5,281,442
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	105,982	107,889	109,831	111,808	113,821
Indirect Costs (excl. fringe benefits)	46,687	47,528	48,383	49,254	50,141
Supplies and Contract Services	68,754	69,991	71,251	72,534	73,839
Total Driving Range Expenses	221,423	225,409	229,466	233,596	237,801
Golf Cart Expenses					
Payroll (incl. fringe benefits)	88,682	90,279	91,904	93,558	95,242
Indirect Costs (excl. fringe benefits)	39,067	39,771	40,486	41,215	41,957
Golf Cart Lease	63,891	65,041	66,212	67,404	68,617
Insurance	8,432	8,583	8,738	8,895	9,055
Supplies and Contract Services	14,905	15,174	15,447	15,725	16,008
Total Golf Cart Expenses	214,978	218,848	222,787	226,797	230,880
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	996	1,014	1,032	1,051	1,070
Payroll - Golf Operations (incl. fringe benefits)	513,719	522,966	532,379	541,962	551,717
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	19,325	19,673	20,027	20,388	20,755
Total Other Golf Operations Expenses	534,040	543,653	553,439	563,400	573,542
Total Golf Operations Payroll (incl. fringe benefits)	709,379	722,148	735,146	748,379	761,850
Total Golf Operations Expenses	970,441	987,909	1,005,692	1,023,794	1,042,222
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	1,196,360	1,217,895	1,239,817	1,262,134	1,284,852
Supplies & Contract Services	201,896	205,530	209,229	212,995	216,829
Total Golf Maintenance Expenses	1,398,256	1,423,425	1,449,046	1,475,129	1,501,681

City of Los Angeles

Financial Projections - Rancho Park 18

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	-	-	-	-	-
Indirect Costs	482,240	490,920	499,757	508,752	517,910
Utilities	248,786	253,264	257,823	262,464	267,188
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	731,026	744,185	757,580	771,216	785,098
Capital Maintenance Expenses	233,048	236,854	248,209	259,791	264,072
Total Expenses	3,332,771	3,392,372	3,460,527	3,529,930	3,593,074
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	1,326,324	1,342,813	1,501,740	1,663,933	1,686,376
Capital Surcharge Income	248,669	253,801	259,036	264,378	269,829
Income From Operations Excl. Capital Surcharge	1,077,655	1,089,013	1,242,704	1,399,555	1,416,547
Capital Surcharge Income	248,669	253,801	259,036	264,378	269,829
Capital Improvements					
Proposed 10-Year Plan from City					
Remodel driving range ball house including new ADA restrooms and		1,000,000			
New irrigation system design	150,000				
Remodel clubhouse lobby and construct new ADA restrooms		875,000			
Install tee to green cart paths		750,000			
Clubhouse Modernization and Banquet Facilities		650,000			
Remodel all field restrooms to meet ADA requirements		475,000			
Tee leveling and tree trimming		220,000			
Other Recommended Projects					
New irrigation system		2,500,000			
Total Capital Improvements	150,000	6,470,000	-	-	-
Business Interruption	-	(1,419,234)	-	-	-

City of Los Angeles

Financial Projections - Wilson/Harding

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	4,898,094	5,096,018	5,472,466	5,865,676	6,090,576
Electric Golf Carts	1,195,924	1,258,373	1,320,822	1,383,271	1,445,720
Driving Ranges/Lessons - Self Operated	846,677	891,106	936,860	983,972	1,032,477
Merchandise Sales (Net)	82,829	87,175	91,652	96,260	101,006
Other Golf Course Revenue	22,077	22,812	23,547	24,282	25,017
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	121,534	130,600	139,666	148,732	157,798
Other	-	-	-	-	-
Total Revenue	7,167,135	7,486,084	7,985,012	8,502,193	8,852,594
Cost of Goods Sold					
Concession Expenses	3,710	3,777	3,845	3,914	3,984
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	3,710	3,777	3,845	3,914	3,984
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	157,769	166,047	174,573	183,352	192,390
Indirect Costs (excl. fringe benefits)	66,553	70,045	73,642	77,345	81,158
Supplies and Contract Services	72,015	75,794	79,686	83,693	87,819
Total Driving Range Expenses	296,337	311,887	327,901	344,390	361,367
Golf Cart Expenses					
Payroll (incl. fringe benefits)	176,195	179,366	182,595	185,882	189,227
Indirect Costs (excl. fringe benefits)	77,620	79,017	80,439	81,887	83,361
Golf Cart Lease	111,810	113,823	115,871	117,957	120,080
Insurance	18,447	18,779	19,117	19,461	19,811
Supplies and Contract Services	56,725	57,746	58,786	59,844	60,921
Total Golf Cart Expenses	440,796	448,731	456,808	465,030	473,401
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	463,273	471,611	480,100	488,742	497,540
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	13,802	14,050	14,303	14,561	14,823
Total Other Golf Operations Expenses	477,074	485,662	494,404	503,303	512,362
Total Golf Operations Payroll (incl. fringe benefits)	797,236	817,025	837,269	857,976	879,158
Total Golf Operations Expenses	1,214,207	1,246,279	1,279,112	1,312,723	1,347,130
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	2,270,449	2,311,317	2,352,920	2,395,273	2,438,388
Supplies & Contract Services	239,204	243,510	247,893	252,355	256,898
Total Golf Maintenance Expenses	2,509,653	2,554,827	2,600,814	2,647,628	2,695,286

City of Los Angeles

Financial Projections - Wilson/Harding

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	1,656	1,686	1,716	1,747	1,779
Indirect Costs	795,704	810,027	824,607	839,450	854,560
Utilities	497,572	506,529	515,646	524,928	534,376
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	1,294,932	1,318,241	1,341,970	1,366,125	1,390,715
Capital Maintenance Expenses	358,357	374,304	399,251	425,110	442,630
Total Expenses	5,377,150	5,493,651	5,621,146	5,751,586	5,875,761
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	1,786,275	1,988,656	2,360,021	2,746,693	2,972,849
Capital Surcharge Income	330,088	347,410	365,247	383,615	402,525
Income From Operations Excl. Capital Surcharge	1,456,186	1,641,246	1,994,774	2,363,078	2,570,324
Capital Surcharge Income	330,088	347,410	365,247	383,615	402,525
Capital Improvements					
Proposed 10-Year Plan from City					
Install tee to green cart paths			1,500,000		
Remodel clubhouse and restrooms to meet ADA requirements		700,000			
Parking lot upgrades to meet ADA requirements		150,000			
Tee leveling and tree trimming		420,000			
Total Capital Improvements	-	1,270,000	1,500,000	-	-
Business Interruption	-	-	(395,406)	-	-

City of Los Angeles

Financial Projections - Harbor Park

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	1,491,268	1,527,861	1,565,253	1,603,463	1,642,507
Electric Golf Carts	222,265	233,061	243,858	254,655	265,451
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	8,856	9,104	9,359	9,620	9,887
Other Golf Course Revenue	13,864	13,999	14,134	14,268	14,403
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	4,280	4,488	4,696	4,904	5,111
Other	-	-	-	-	-
Total Revenue	1,740,533	1,788,513	1,837,300	1,886,909	1,937,359
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	71,042	72,321	73,623	74,948	76,297
Indirect Costs (excl. fringe benefits)	31,296	31,859	32,433	33,017	33,611
Golf Cart Lease	-	-	-	-	-
Insurance	4,215	4,291	4,368	4,446	4,526
Supplies and Contract Services	25,124	25,576	26,036	26,505	26,982
Total Golf Cart Expenses	131,676	134,047	136,459	138,916	141,416
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	610	621	633	644	656
Payroll - Golf Operations (incl. fringe benefits)	304,887	310,375	315,962	321,649	327,439
Supplies and Contract Services - Junior Golf	224	228	232	236	240
Supplies and Contract Services - Golf Ops.	4,437	4,516	4,598	4,680	4,765
Total Other Golf Operations Expenses	310,158	315,741	321,424	327,210	333,099
Total Golf Operations Payroll (incl. fringe benefits)	376,540	383,317	390,217	397,241	404,391
Total Golf Operations Expenses	441,834	449,787	457,883	466,125	474,515
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	532,035	541,612	551,361	561,285	571,389
Supplies & Contract Services	68,826	70,065	71,326	72,610	73,917
Total Golf Maintenance Expenses	600,862	611,677	622,687	633,896	645,306

City of Los Angeles

Financial Projections - Harbor Park

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	-	-	-	-	-
Indirect Costs	224,575	228,617	232,732	236,921	241,186
Utilities	124,393	126,632	128,912	131,232	133,594
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	348,968	355,249	361,643	368,153	374,780
Capital Maintenance Expenses	87,027	89,426	91,865	94,345	96,868
Total Expenses	1,478,690	1,506,139	1,534,079	1,562,520	1,591,469
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	259,988	280,486	301,298	322,433	343,898
Capital Surcharge Income	101,211	104,051	106,960	109,940	112,993
Income From Operations Excl. Capital Surcharge	158,777	176,435	194,338	212,492	230,905
Capital Surcharge Income	101,211	104,051	106,960	109,940	112,993
Capital Improvements					
Proposed 10-Year Plan from City					
Construct new cart barn at clubhouse for existing cart fleet			180,000		
Install tee to green cart paths			450,000		
Install new 'recycled water' irrigation system			100,000		
Tee leveling and tree trimming		100,000			
Total Capital Improvements	-	100,000	730,000	-	-
Business Interruption	-	-	(92,388)	-	-

City of Los Angeles

Financial Projections - Penmar

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	1,377,765	1,436,013	1,495,715	1,556,906	1,619,625
Electric Golf Carts	847	847	847	847	847
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	8,193	8,589	8,997	9,416	9,848
Other Golf Course Revenue	4,406	4,535	4,664	4,793	4,922
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	16,245	17,385	18,526	19,666	20,807
Other	-	-	-	-	-
Total Revenue	1,407,455	1,467,369	1,528,748	1,591,629	1,656,049
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	759	772	786	800	815
Payroll - Golf Operations (incl. fringe benefits)	244,000	248,392	252,863	257,415	262,048
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	4,519	4,601	4,684	4,768	4,854
Total Other Golf Operations Expenses	249,278	253,765	258,333	262,983	267,717
Total Golf Operations Payroll (incl. fringe benefits)	244,759	249,165	253,650	258,215	262,863
Total Golf Operations Expenses	249,278	253,765	258,333	262,983	267,717
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	648,852	660,531	672,421	684,524	696,846
Supplies & Contract Services	93,923	95,614	97,335	99,087	100,870
Total Golf Maintenance Expenses	742,775	756,145	769,755	783,611	797,716
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-

City of Los Angeles

Financial Projections - Penmar

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	2,761	2,810	2,861	2,913	2,965
Indirect Costs	256,635	261,255	265,957	270,745	275,618
Utilities	124,393	126,632	128,912	131,232	133,594
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	383,789	390,697	397,730	404,889	412,177
Capital Maintenance Expenses	70,373	73,368	76,437	79,581	82,802
Total Expenses	1,446,215	1,473,976	1,502,256	1,531,065	1,560,412
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	(40,615)	(8,495)	24,570	58,607	93,645
Capital Surcharge Income	93,639	98,167	102,826	107,622	112,557
Income From Operations Excl. Capital Surcharge	(134,255)	(106,662)	(78,257)	(49,015)	(18,912)
Capital Surcharge Income	93,639	98,167	102,826	107,622	112,557
Capital Improvements					
Proposed 10-Year Plan from City					
Construct new service yard and crew quarters facilities			425,000		
Install tee to green cart paths			580,000		
Remodel clubhouse and restrooms to meet ADA requirements		150,000			
Tee leveling and tree trimming		100,000			
Total Capital Improvements	-	250,000	1,005,000	-	-
Business Interruption	-	-	(77,624)	-	-

City of Los Angeles

Financial Projections - Roosevelt

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	1,189,051	1,246,046	1,304,451	1,364,303	1,425,643
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	7,505	7,921	8,349	8,790	9,245
Other Golf Course Revenue	37,434	38,787	40,139	41,492	42,844
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	12,583	13,561	14,539	15,517	16,495
Other	-	-	-	-	-
Total Revenue	1,246,573	1,306,315	1,367,478	1,430,102	1,494,227
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	213,916	217,766	221,686	225,677	229,739
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	1,286	1,309	1,333	1,357	1,381
Total Other Golf Operations Expenses	215,202	219,076	223,019	227,033	231,120
Total Golf Operations Payroll (incl. fringe benefits)	213,916	217,766	221,686	225,677	229,739
Total Golf Operations Expenses	215,202	219,076	223,019	227,033	231,120
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	544,413	554,213	564,188	574,344	584,682
Supplies & Contract Services	49,786	50,682	51,594	52,523	53,469
Total Golf Maintenance Expenses	594,199	604,895	615,783	626,867	638,151
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-

City of Los Angeles

Financial Projections - Roosevelt

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	7,784	7,924	8,067	8,212	8,360
Indirect Costs	230,005	234,145	238,360	242,650	247,018
Utilities	124,393	126,632	128,912	131,232	133,594
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	362,182	368,701	375,338	382,094	388,971
Capital Maintenance Expenses	62,329	65,316	68,374	71,505	74,711
Total Expenses	1,233,912	1,257,987	1,282,513	1,307,499	1,332,953
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	10,807	46,439	83,042	120,646	159,281
Capital Surcharge Income	85,768	90,521	95,418	100,461	105,655
Income From Operations Excl. Capital Surcharge	(74,962)	(44,082)	(12,375)	20,185	53,626
Capital Surcharge Income	85,768	90,521	95,418	100,461	105,655
Capital Improvements					
Proposed 10-Year Plan from City					
Redesign parking lot ingress/egress at Vermont Ave. for safety reaso		225,000			
Reconstruct all greens and tees to meet USGA specifications		800,000			
Install new 'recycled water' irrigation system		1,750,000			
Tee leveling and tree trimming (add landscaping around clubhouse)		100,000			
Total Capital Improvements	-	2,875,000	-	-	-
Business Interruption	-	(94,069)			

City of Los Angeles

Financial Projections - Rancho 9

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	326,132	332,002	337,978	344,062	350,255
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	-	-	-	-	-
Other Golf Course Revenue	15,688	16,270	16,852	17,434	18,015
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	-	-	-	-	-
Other	-	-	-	-	-
Total Revenue	341,820	348,272	354,830	361,495	368,270
Cost of Goods Sold					
Concession Expenses	-	-	-	-	-
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	-	-	-	-	-
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	2,353	2,396	2,439	2,483	2,528
Payroll - Golf Operations (incl. fringe benefits)	89,874	91,492	93,139	94,815	96,522
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	-	-	-	-	-
Total Other Golf Operations Expenses	92,228	93,888	95,578	97,298	99,049
Total Golf Operations Payroll (incl. fringe benefits)	92,228	93,888	95,578	97,298	99,049
Total Golf Operations Expenses	92,228	93,888	95,578	97,298	99,049
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	116,551	118,649	120,785	122,959	125,172
Supplies & Contract Services	731	744	757	771	785
Total Golf Maintenance Expenses	117,282	119,393	121,542	123,730	125,957
Administrative Expenses					

City of Los Angeles

Financial Projections - Rancho 9

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Payroll (incl. fringe benefits)	-	-	-	-	-
Labor Reimbursements	-	-	-	-	-
Indirect Costs	68,649	69,885	71,143	72,423	73,727
Utilities	62,197	63,317	64,456	65,617	66,798
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	130,846	133,202	135,599	138,040	140,525
Capital Maintenance Expenses	17,091	17,414	17,741	18,075	18,414
Total Expenses	357,447	363,896	370,460	377,143	383,945
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	(15,627)	(15,624)	(15,631)	(15,647)	(15,674)
Capital Surcharge Income	53,004	55,994	59,075	62,248	65,516
Income From Operations Excl. Capital Surcharge	(68,631)	(71,618)	(74,705)	(77,895)	(81,191)
Capital Surcharge Income	53,004	55,994	59,075	62,248	65,516
Capital Improvements					
Proposed 10-Year Plan from City					
Remodel clubhouse and field restrooms to meet ADA requirements		250,000			
Reconstruct all greens and tees to meet USGA specifications		400,000			
Remodel starter window		50,000			
Refurbish concrete tee slabs		75,000			
Tee leveling and tree trimming (add landscaping around clubhouse)		100,000			
Total Capital Improvements	-	875,000	-	-	-
Business Interruption	-	(105,319)	-	-	-

City of Los Angeles

Financial Projections - Los Feliz

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	184,115	231,936	280,473	329,902	335,841
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales (Net)	2,653	3,413	4,200	5,014	5,105
Other Golf Course Revenue	2,529	3,425	4,321	5,217	6,113
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	74,464	105,068	135,673	166,277	196,882
Other	-	-	-	-	-
Total Revenue	263,761	343,843	424,667	506,411	543,940
Cost of Goods Sold					
Concession Expenses	1,855	1,888	1,922	1,957	1,992
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	1,855	1,888	1,922	1,957	1,992
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	52,351	53,293	54,253	55,229	56,223
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	39	40	41	42	42
Total Other Golf Operations Expenses	52,390	53,333	54,293	55,271	56,266
Total Golf Operations Payroll (incl. fringe benefits)	52,351	53,293	54,253	55,229	56,223
Total Golf Operations Expenses	52,390	53,333	54,293	55,271	56,266
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	143,505	146,088	148,718	151,395	154,120
Supplies & Contract Services	8,888	9,047	9,210	9,376	9,545
Total Golf Maintenance Expenses	152,393	155,136	157,928	160,771	163,665
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-

City of Los Angeles

Financial Projections - Los Feliz

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	-	-	-	-	-
Indirect Costs	65,170	66,343	67,538	68,753	69,991
Utilities	62,197	63,317	64,456	65,617	66,798
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	127,367	129,660	131,994	134,370	136,788
Capital Maintenance Expenses	13,188	17,192	21,233	25,321	27,197
Total Expenses	345,338	355,321	365,449	375,732	383,916
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations, Incl. Capital Surcharge	(83,432)	(13,366)	57,296	128,722	158,032
Capital Surcharge Income	30,321	39,011	48,004	57,307	58,339
Income From Operations Excl. Capital Surcharge	(113,753)	(52,377)	9,293	71,415	99,693
Capital Surcharge Income	30,321	39,011	48,004	57,307	58,339
Capital Improvements					
Proposed 10-Year Plan from City					
Reconstruct all greens and tees to meet USGA specifications			400,000		
Install maintenance equipment shelter			75,000		
Tee leveling and tree trimming (add landscaping around clubhouse)			100,000		
Total Capital Improvements	-	-	575,000	-	-
Business Interruption	-	-	(176,102)	-	-

City of Los Angeles

Financial Projections - Reservation Office

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	-	-	-	-	-
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Other Golf Course Revenue	-	-	-	-	-
Reservation Office	522,739	549,484	576,230	602,976	629,721
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	-	-	-	-	-
Merchandise Sales	-	-	-	-	-
Other	-	-	-	-	-
Total Revenue	522,739	549,484	576,230	602,976	629,721
Cost of Goods Sold					
Concession Expenses	-	-	-	-	-
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	-	-	-	-	-
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	-	-	-	-	-
Total Other Golf Operations Expenses	-	-	-	-	-
Total Golf Operations Payroll (incl. fringe benefits)	-	-	-	-	-
Total Golf Operations Expenses	-	-	-	-	-
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Supplies & Contract Services	-	-	-	-	-
Total Golf Maintenance Expenses	-	-	-	-	-
Administrative Expenses					
Payroll (incl. fringe benefits)	208,798	212,556	216,382	220,277	224,242

City of Los Angeles

Financial Projections - Reservation Office

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	-	-	-	-	-
Indirect Costs	72,814	74,125	75,459	76,817	78,200
Utilities	-	-	-	-	-
Supplies & Contract Services	55,507	56,506	57,523	58,559	59,613
Total Administrative Expenses	337,120	343,188	349,365	355,654	362,055
Total Expenses	337,120	343,188	349,365	355,654	362,055
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations	185,619	206,297	226,865	247,322	267,666
Other Non-Operating Income (Expenses)					
Interest Income	-	-	-	-	-
Golf Contribution to Support RAP Operations	-	-	-	-	-
Cap Adjustment	-	-	-	-	-
Net Income before Taxes	185,619	206,297	226,865	247,322	267,666

City of Los Angeles

Financial Projections - Golf Admin.

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	-	-	-	-	-
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Other Golf Course Revenue	-	-	-	-	-
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	-	-	-	-	-
Merchandise Sales	-	-	-	-	-
Other	62,959	64,092	65,245	66,420	67,615
Total Revenue	62,959	64,092	65,245	66,420	67,615
Cost of Goods Sold					
Concession Expenses	-	-	-	-	-
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	-	-	-	-	-
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	-	-	-	-	-
Total Other Golf Operations Expenses	-	-	-	-	-
Total Golf Operations Payroll (incl. fringe benefits)	-	-	-	-	-
Total Golf Operations Expenses	-	-	-	-	-
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Supplies & Contract Services	-	-	-	-	-
Total Golf Maintenance Expenses	-	-	-	-	-
Administrative Expenses					
Payroll (incl. fringe benefits)	1,795,420	1,827,737	1,860,637	1,894,128	1,928,222

City of Los Angeles

Financial Projections - Golf Admin.

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	258	263	267	272	277
Indirect Costs	533,638	543,243	553,022	562,976	573,110
Utilities	-	-	-	-	-
Supplies & Contract Services	30,330	30,876	31,431	31,997	32,573
Total Administrative Expenses	2,359,645	2,402,119	2,445,357	2,489,373	2,534,182
Total Expenses	2,359,645	2,402,119	2,445,357	2,489,373	2,534,182
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations	(2,296,687)	(2,338,027)	(2,380,112)	(2,422,954)	(2,466,567)
Other Non-Operating Income (Expenses)					
Interest Income	258,474	263,126	267,863	272,684	277,593
Golf Contribution to Support RAP Operations	-	-	-	-	-
Cap Adjustment	-	-	-	-	-
Net Income before Taxes	(2,038,213)	(2,074,901)	(2,112,249)	(2,150,269)	(2,188,974)

City of Los Angeles

Financial Summary - Tregnan

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	-	-	-	-	-
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales	-	-	-	-	-
Other Golf Course Revenue	-	-	-	-	-
Reservation Office	-	-	-	-	-
Tregnan Junior Golf Academy	180,472	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	-	-	-	-	-
Other	-	-	-	-	-
Total Revenue	180,472	-	-	-	-
Cost of Goods Sold					
Concession Expenses	-	-	-	-	-
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	-	-	-	-	-
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	269,855	-	-	-	-
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	79,883	-	-	-	-
Total Other Golf Operations Expenses	349,738	-	-	-	-
Total Golf Operations Payroll (incl. fringe benefits)	269,855	-	-	-	-
Total Golf Operations Expenses	349,738	-	-	-	-
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	45,916	-	-	-	-
Supplies & Contract Services	24,412	-	-	-	-
Total Golf Maintenance Expenses	70,328	-	-	-	-
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-

City of Los Angeles

Financial Summary - Tregnan

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	-	-	-	-	-
Indirect Costs	113,502				
Utilites	62,197				
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	175,699	-	-	-	-
Total Expenses	595,765	-	-	-	-
Inflation factor	1.8%	1.8%	1.8%	1.8%	1.8%
Income from Operations	(415,293)	-	-	-	-
Other Non-Operating Income (Expenses)					
Interest Income	-	-	-	-	-
Golf Contribution to Support RAP Operations	-	-	-	-	-
Cap Adjustment	-	-	-	-	-
Net Income before Taxes	(415,293)	-	-	-	-

City of Los Angeles

Financial Summary - Holmby Park

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Revenue					
Green Fees	-	-	-	-	-
Electric Golf Carts	-	-	-	-	-
Driving Ranges/Lessons - Self Operated	-	-	-	-	-
Merchandise Sales	-	-	-	-	-
Other Golf Course Revenue	-	-	-	-	-
Reservation Office	-	-	-	-	-
Tegnan Junior Golf Academy	-	-	-	-	-
Driving Range/Pro Shop/Lessons - Concessions	-	-	-	-	-
Food and Beverage Concessions	-	-	-	-	-
Other	-	-	-	-	-
Total Revenue	-	-	-	-	-
Cost of Goods Sold					
Concession Expenses	-	-	-	-	-
Merchandise Expenses	-	-	-	-	-
Total Cost of Goods Sold	-	-	-	-	-
Expenses					
Golf Operations Expenses					
Driving Range Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Driving Range Expenses	-	-	-	-	-
Golf Cart Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Indirect Costs (excl. fringe benefits)	-	-	-	-	-
Golf Cart Lease	-	-	-	-	-
Insurance	-	-	-	-	-
Supplies and Contract Services	-	-	-	-	-
Total Golf Cart Expenses	-	-	-	-	-
Other Golf Operations Expenses					
Payroll - Junior Golf (incl. fringe benefits)	-	-	-	-	-
Payroll - Golf Operations (incl. fringe benefits)	-	-	-	-	-
Supplies and Contract Services - Junior Golf	-	-	-	-	-
Supplies and Contract Services - Golf Ops.	-	-	-	-	-
Total Other Golf Operations Expenses	-	-	-	-	-
Total Golf Operations Payroll (incl. fringe benefits)	-	-	-	-	-
Total Golf Operations Expenses	-	-	-	-	-
Golf Maintenance Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-
Supplies & Contract Services	-	-	-	-	-
Total Golf Maintenance Expenses	-	-	-	-	-
Administrative Expenses					
Payroll (incl. fringe benefits)	-	-	-	-	-

City of Los Angeles

Financial Summary - Holmby Park

Appendix B - For Illustration Purposes Only

* Based on Unaudited Profit & Loss Statements, June 30th	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
Labor Reimbursements	-	-	-	-	-
Indirect Costs	-	-	-	-	-
Utilities	-	-	-	-	-
Supplies & Contract Services	-	-	-	-	-
Total Administrative Expenses	-	-	-	-	-
Total Expenses	-	-	-	-	-
Inflation factor	2.2%	2.2%	2.2%	2.2%	2.2%
Income from Operations	-	-	-	-	-
Other Non-Operating Income (Expenses)					
Interest Income	-	-	-	-	-
Golf Contribution to Support RAP Operations	-	-	-	-	-
Cap Adjustment	-	-	-	-	-
Net Income before Taxes	-	-	-	-	-

City of Los Angeles

Golf Division

Appendix C - Summary of Proposed 2016 Pricing Adjustments

**On weekends, Senior & Lifeline discounts available only after 12pm

Golf Course /Rate Type	2015 Resident Rates			2015 Non-Resident Rates			Proposed 2016 Rates		
	Mon - Thurs	Friday	Weekends / Holidays	Mon - Thurs	Friday	Weekends / Holidays	Mon - Thurs	Friday	Weekends / Holidays
ENCINO									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	32.00	36.00	42.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	19.50	22.00	26.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	14.00	15.00	16.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	20.00	24.00	26.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	14.00	16.00	26.00
Lifeline**	15.00	17.00	22.00	n/a	n/a	n/a	17.00	19.00	24.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	n/a	n/a	n/a	11.50	12.50	22.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	14.00	15.00	16.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
BALBOA									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	32.00	36.00	42.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	19.50	22.00	26.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	14.00	15.00	16.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	20.00	24.00	26.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	14.00	16.00	26.00
Lifeline**	15.00	17.00	22.00	15.00	15.00	15.00	17.00	19.00	24.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	9.50	9.50	9.50	11.50	12.50	22.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	14.00	15.00	16.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
WOODLEY LAKES									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	28.00	32.00	38.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	17.00	19.00	22.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	10.00	11.00	12.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	18.00	20.00	22.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	10.00	12.00	22.00
Lifeline**	15.00	17.00	22.00	n/a	n/a	n/a	13.00	15.00	22.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	n/a	n/a	n/a	9.50	10.50	22.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	11.00	11.00	13.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	5.00	5.00	6.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	4.00	4.00	5.00
HANSEN DAM									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	29.00	33.00	39.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	18.00	20.00	23.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	11.00	12.00	13.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	18.00	21.00	21.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	11.00	13.00	19.00
Lifeline**	15.00	17.00	22.00	n/a	n/a	n/a	14.00	16.00	21.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	n/a	n/a	n/a	8.50	9.50	19.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	12.00	12.00	14.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
RANCHO 18									
18-Holes	33.00	37.00	43.00	38.00	42.00	48.00	35.50	39.50	45.50
Twilight / 9-Holes	20.00	22.00	25.00	23.00	25.00	28.00	22.50	24.50	27.50
Super Twilight* (no Senior/Lifeline Discounts)	13.00	14.00	15.00	16.00	17.00	18.00	15.50	16.50	17.50
Senior**	20.00	23.00	43.00	25.00	28.00	48.00	22.50	25.50	45.50
Senior - Twilight / 9-Holes**	13.00	15.00	25.00	16.00	18.00	28.00	15.50	17.50	27.50
Lifeline**	16.50	18.50	43.00	n/a	n/a	n/a	19.00	21.00	45.50
Lifeline - Twilight / 9-Holes**	10.00	11.00	25.00	n/a	n/a	n/a	12.50	13.50	27.50
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
WILSON									
18-Holes	33.00	37.00	43.00	38.00	42.00	48.00	35.00	39.00	45.00
Twilight / 9-Holes	20.00	22.00	25.00	23.00	25.00	28.00	22.00	24.00	27.00
Super Twilight* (no Senior/Lifeline Discounts)	13.00	14.00	15.00	16.00	17.00	18.00	15.00	16.00	17.00
Senior**	20.00	23.00	43.00	25.00	28.00	-	22.00	25.00	45.00
Senior - Twilight / 9-Holes**	13.00	15.00	25.00	16.00	18.00	28.00	15.00	17.00	27.00
Lifeline**	16.50	18.50	43.00	n/a	n/a	n/a	18.50	20.50	45.00
Lifeline - Twilight / 9-Holes**	10.00	11.00	25.00	n/a	n/a	n/a	12.00	13.00	27.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00

City of Los Angeles

Golf Division

Appendix C - Summary of Proposed 2016 Pricing Adjustments

**On weekends, Senior & Lifeline discounts available only after 12pm

Golf Course /Rate Type	2015 Resident Rates			2015 Non-Resident Rates			Proposed 2016 Rates		
	Mon - Thurs	Friday	Weekends / Holidays	Mon - Thurs	Friday	Weekends / Holidays	Mon - Thurs	Friday	Weekends / Holidays
HARDING									
18-Holes	30.00	34.00	40.00	35.00	39.00	45.00	32.00	36.00	42.00
Twilight / 9-Holes	19.00	21.00	24.00	22.00	24.00	27.00	21.00	23.00	26.00
Super Twilight* (no Senior/Lifeline Discounts)	12.00	13.00	14.00	15.00	16.00	17.00	14.00	15.00	16.00
Senior**	19.00	22.00	22.00	24.00	27.00	27.00	21.00	24.00	24.00
Senior - Twilight / 9-Holes**	12.00	14.00	24.00	15.00	17.00	27.00	14.00	16.00	22.00
Lifeline**	15.00	17.00	22.00	n/a	n/a	n/a	17.00	19.00	24.00
Lifeline - Twilight / 9-Holes**	9.50	10.50	24.00	n/a	n/a	n/a	11.50	12.50	22.00
Back 9 Play* (no Senior/Lifeline Discounts)	12.00	12.00	14.00	12.00	12.00	14.00	14.00	14.00	16.00
Junior	6.00	6.00	7.00	6.00	6.00	7.00	6.00	6.00	7.00
Junior Twilight	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
HARBOR PARK									
9-Holes	16.00	18.50	21.00	16.00	18.50	21.00	17.00	19.50	22.00
Twilight	8.50	10.25	12.00	8.50	10.25	12.00	9.50	11.25	13.00
Senior**	10.00	12.00	12.00	10.00	12.00	12.00	11.00	13.00	13.00
Lifeline**	8.00	9.25	12.00	8.00	9.25	12.00	9.00	10.25	13.00
Junior	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
PENMAR									
9-Holes	14.50	16.75	19.00	17.50	19.75	22.00	16.00	18.25	20.50
Twilight	8.50	10.25	12.00	8.50	10.25	12.00	9.50	11.25	13.00
Senior**	9.00	11.00	11.00	12.00	14.00	22.00	10.50	12.50	12.50
Lifeline**	7.25	8.50	11.00	n/a	n/a	n/a	8.75	10.00	12.50
Junior	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
ROOSEVELT									
9-Holes	14.50	16.75	19.00	17.50	19.75	22.00	16.00	18.25	20.50
Twilight	8.50	10.25	12.00	8.50	10.25	12.00	9.50	11.25	13.00
Senior**	9.00	11.00	11.00	12.00	14.00	22.00	10.50	12.50	12.50
Lifeline**	7.25	8.50	11.00	12.00	12.00	12.00	8.75	10.00	12.50
Junior	5.00	5.00	6.00	5.00	5.00	6.00	5.00	5.00	6.00
RANCHO PAR-3									
9-Holes	7.00	7.50	8.00	7.00	7.50	8.00	8.00	8.50	9.00
Senior**	5.00	5.50	5.50	5.00	5.50	5.50	6.00	6.50	6.50
Lifeline**	3.50	3.75	5.50	3.50	3.75	5.50	4.50	4.75	6.50
Junior	3.50	4.50	5.00	3.50	4.50	5.00	3.50	4.50	5.00
LOS FELIZ									
9-Holes	5.50	6.25	7.00	5.50	6.25	7.00	6.50	7.25	8.00
Senior**	4.00	4.75	4.75	4.00	4.75	4.75	5.00	5.75	5.75
Lifeline**	2.75	3.25	4.75	2.75	3.25	4.75	3.75	4.25	5.75
Junior	3.50	4.50	5.00	3.50	4.50	5.00	3.50	4.50	5.00



Global Golf Advisors
Agronomic Plan Outline

- I. Overview**
 - a. Mission Statement
 - b. Statement of Goals and Objectives
 - c. Summary of Measurable Priorities
 - d. Summary of Sustainability Program
- II. Cultural Practices**
 - a. Mowing
 - b. Aerification
 - c. Vertical Cutting ('verti-cutting')
 - d. Renovation
 - e. Divot and Ball-Mark Repair
 - f. Sand Bunkers
 - g. Cart Paths and Service Trails
 - h. Course Set-Up
 - i. Chemical Use
- III. Fertility Program**
 - a. Testing and measurement
 - b. High-Impact Turf Areas (greens/tees)
 - c. Fairways
 - d. Roughs
 - e. Non-play Areas
 - f. Trees/Forest
 - g. Ornamentals
 - h. Application Volumes and Schedule
 - i. Chemical Use Review and Assessment
- IV. Water-Use Program**
 - a. Turf-type Areas and Methods (identified/defined)
 - b. Non-irrigated areas (identified/defined)
 - c. Application Use and Schedule
 - d. Reservoir and storage
 - e. Testing and re-use
 - f. Water-use Review and Assessment
- V. Capital Expense Plan and Budget**
 - a. Definition of Capital Expenditures (versus normal maintenance costs)
 - b. Equipment Replacement
 - c. Safety Matters/Issues
 - d. Course Renovations/Capital Projects
- VI. Operational Budget**
 - a. Personnel and Staffing Plan
 - b. Annual Budget
 - c. Assumptions and Work-Papers
- VII. Golf Course Administration**
 - a. Organization of Management
 - b. Employee Training Schedule and Topics
 - c. Emergency Policies and Procedures
 - d. Risk Management
 - e. Hazardous Material Handling
- VIII. Business Risk Management**
 - a. Personnel Records
 - b. On-the-Job Injury Prevention
 - c. On-the-Course Injury Prevention/Response (non-staff)
 - d. Emergency Medical/Law Enforcement Guidelines
 - e. Chemical Storage/Handling/Disposal
 - f. Chemical/Pesticide Use/Distribution
 - g. Fuel Consumption/Storage
 - h. Lightning/Storm Warning
- IX. Annual Maintenance Schedule**
 - a. Turf-Care Practices
 - b. Fertility Program
 - c. Renovations and Special Projects
 - d. Seasonal Variations and Exceptions