



REQUEST FOR PROPOSALS
RECREATIONAL & AQUATIC CENTER
OPERATIONS & MANAGEMENT SERVICES

PREPARED BY THE SPORTS FACILITIES MANAGEMENT, LLC &
COUNSILMAN-HUNSAKER

MAY 25, 2017



Counsilman · Hunsaker
AQUATICS FOR LIFE

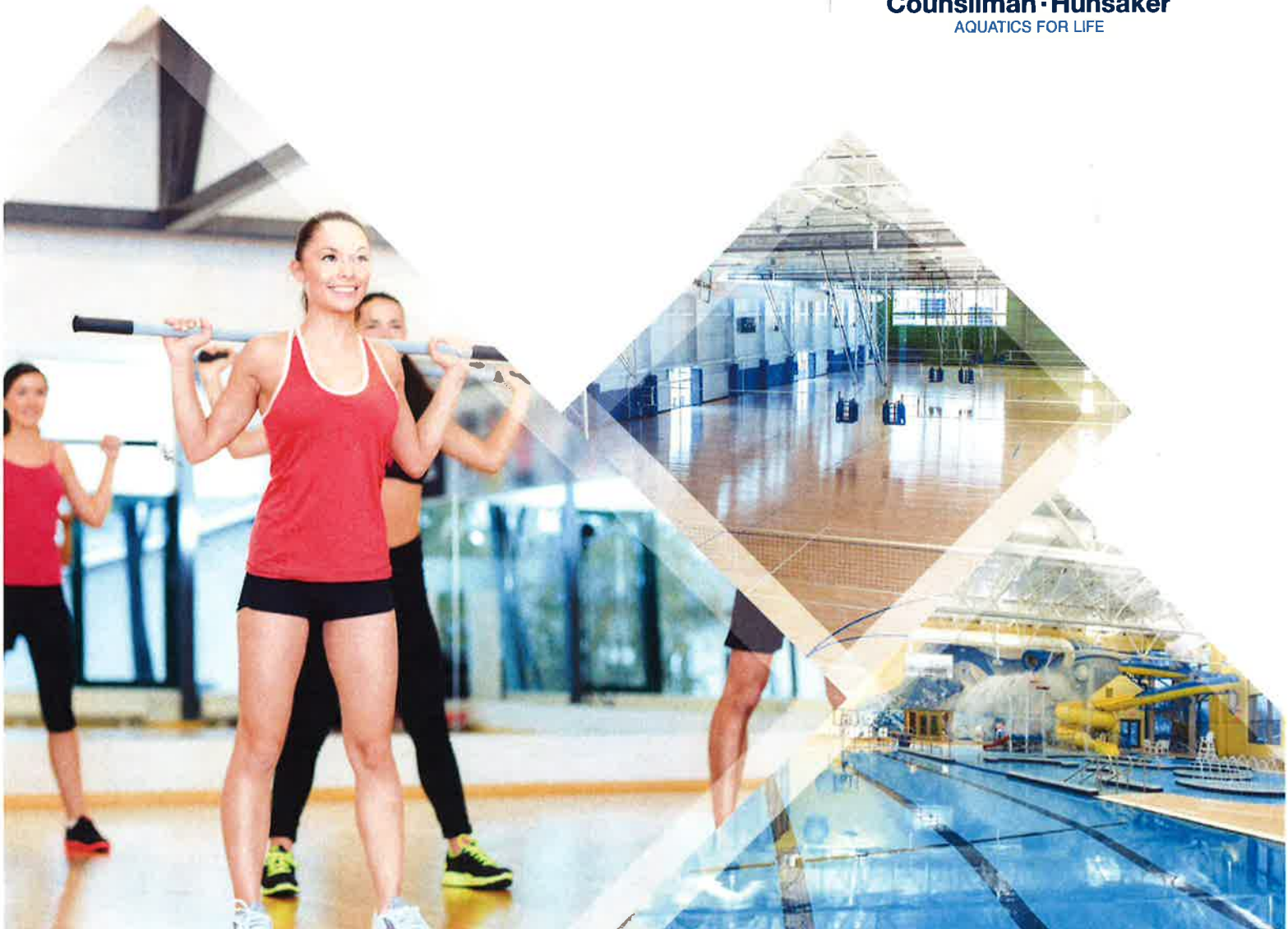


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Clearwater, FL 33755
(727) 474-3845
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May 25, 2017

City of Sherwood
Attn: Kristen Switzer
Community Services Director
22560 SW Pine Street
Sherwood, OR 97140

Dear Ms. Switzer:

The Sports Facilities Management (SFM), LLC – in collaboration with Counsilman-Hunsaker Operations (CHO) – is pleased to present this proposal to the City of Sherwood for the management and operations of a Recreation and Aquatic Facility owned by the City. "SFM Aquatics" & "CHO" (hereafter referred to as the "Management Team") teamed up to provide the industry with a comprehensive recreation center operating solution. SFM's facility operating and programming expertise, coupled with CHO's aquatic specific knowledge will meet and exceed the needs and expectations outlined by the City of Sherwood in the RFP.

The Management Team will provide the City with a "best in-class" management solution to ensure years of quality programming and community use. In the sections below, we have outlined our approach to Management. Our team's Full-Time Management (FTM) option is simply having employees on-site every day managing the facility. With Full-Time Management Services, the facility's management staff receives their paycheck from, and is accountable to the SFM team rather than the City. Full-Time Management makes the Management Team accountable to the execution of the strategies to achieve the City's objectives. This involves SFM staff on-site, managing the operation, providing extraordinary customer service, maintaining a pristine physical facility, and partnering with the City in branding, marketing, and booking a robust community asset and regional destination.

We enter this process with the understanding and anticipation of working with the City of Sherwood to arrive at the structure and approach which produces the highest likelihood of success for this project. Readers will note that the needs and the project scope of work align precisely with the Management Team's routine and ongoing management/advisory roles with similar communities and facilities.

We appreciate this opportunity and we are looking forward to working on this exciting project with the City to make it a tremendous success. If you have any questions or comments related to this information, please do not hesitate to contact us.

Request for Proposals- Recreation and Aquatic Center Operations/Management

I, Eric Sullivan, will be your primary point of contact throughout the review and consideration of this proposal.

Sincerely,

A handwritten signature in black ink that reads "Eric Sullivan". The signature is fluid and cursive, with the first name "Eric" and last name "Sullivan" clearly distinguishable.

Eric Sullivan

Partner

Sports Facilities Advisory, LLC

Sports Facilities Management, LLC

600 Cleveland Street, Suite 910

Clearwater, FL 33755

C: (231) 631-1102 | esullivan@sportadvisory.com

ORGANIZATION EXPERIENCE & QUALIFICATIONS

SFM FIRM HISTORY

The Sports Facilities Advisory (SFA) was founded in 2003 in response to the demand for professional planning as well as financial and management services in the youth and amateur sports and community recreation markets. Since that time, SFA has risen as industry leaders in the planning, opening, management, and optimization of program based sports complexes and community recreation facilities. With a breadth of services in planning and operations, SFA established a management entity “Sports Facilities Management, LLC” or “SFM” that currently provides management oversight for sports, aquatics, recreation, fitness, and entertainment facilities across the United States. Over the past decade, SFA|SFM has provided planning, funding support, development, and management services to a portfolio of more than \$7 billion in planned and operational assets.

Headquartered in Clearwater, FL, leadership team for SFA|SFM is comprised of principals Dev Pathik (Founder/SFA CEO), Jason Clement (Founder/SFM CEO), Eric Sullivan (Owner/EVP of Business Development) and Evan Eleff (EVP of SFA). SFA|SFM currently employs more than 90 full-time team members and has hundreds of direct reports across the Country. This national team provides important insight into regional trends and opportunities allowing SFM’s facilities to outperform national industry benchmarks while the local teams provide “on the ground” execution and accountability.

CH FIRM HISTORY

Councilman-Hunsaker was founded in 1970 as a collaboration between a world-famous swimming coach and one of his former athletes. In his extensive coaching career and subsequent writings, James E. “Doc” Councilman, Ph.D., revolutionized competitive swimming through research and innovation, along the way training numerous Olympic and National champions. One was Joe Hunsaker, a former three-time National Champion and World Record holder. With Doc Councilman serving primarily in a consulting role, Joe Hunsaker developed the firm into one of today’s foremost authorities on design, construction, operation and management of aquatic facilities.

What Sets Us Apart

With more than 45 years of experience in designing thousands of national and international aquatic projects of every size and complexity, our experience includes newly designed and renovated pool projects for all market sectors: Park & Recreation, Education, Hospitality and Wellness. Our project types include competition venues, leisure pools, waterparks, therapy pools and spas.

We have completed hundreds of Facility Audits of existing facilities and Feasibility Studies for the development of new or existing facilities. To complete this work effectively, our firm has studied more than 1,000 facilities to help benchmark the creation of your new facility.

Our firm consists of an integrated team of designers, engineers and operational specialists with unrivaled aquatic industry experience. Our team brings exceptional collaboration skills and new project designs for the delivery of a high quality, creative aquatic facility. Our operational specialists will be there to assist you in preparing for a successful grand opening and will be your aquatic knowledge partner to ensure your facility achieves operational success for years to come.

THE.ULTIMATE.AQUATICS.TEAM

SFA|SFM and CH have years of teaming experience to provide communities with the ultimate aquatic advantage. Combined, our team has had a successful teaming partnership on following comparable projects:

- City of Marion, IA
- City of Marion, IL
- City of Buffalo, NY
- City of Milwaukee, WI
- City of Fort Dodge, IA
- Riverside, CA
- City of Gering, NE
- City of Bettendorf, IA
- City of Garland, TX
- City of Greenwood, IN
- Burkburnett, TX
- Edmond, OK

OUR PROMISE

Our Management/Operations Team Promise is that, above all, we will focus on the safety, service, and success of your aquatic facility.

Safety

Aquatics facilities and programs have the power to transform people's lives, but with that power can come great risk. Our operations team is comprised of highly trained, experienced professionals who have obtained the highest ranking of Health and Safety Instructor certifications available. Our clients benefit from the experience and knowledge of our team, knowing that our recommendations and operational services are supported by all the well-known aquatic safety providers. Our team has developed experiential, effective curriculum to ensure aquatic staff are prepared to excel in the event of an emergency.

Service

Serving our communities with outstanding aquatic programs and guest service is just the beginning of our definition of service. Developing and creating a brand of excellence, communicating that message to our guests, and then reinforcing that message with impactful, innovative aquatic programming provides a positive, memorable experience that our communities and guests deserve.

Success

Each facility is unique in its definition of success. Whether success is a financially self-sufficient operation, increased drowning prevention, or a swim lesson program with rave reviews, we work with you to provide the perfect balance between service and sustainability through proven business practices. Ultimately, your goals are our goals and as a team, we will define measureable, trackable milestones to ensure we are meeting or exceeding your desired outcomes.

MANAGEMENT HISTORY/REFERENCES

Mr. John Shell, Project Manager
City of Greenwood
225 S. Emerson Ave.
Greenwood, IN 46143
Phone: 317.887.5230
Email: shellj@greenwood.in.gov

Services Provided:
Aquatic Design and Engineering: 2015
Pre-Opening Management Services and Full-
Time Management Services: 2015

Ms. Diane Self
Recreation Program Manager
City of Edmond
Parks and Recreation Department
2733 Marilyn Williams Drive
Edmond, OK 73003
Phone: 405.216.7635
Email: diane.self@edmondok.com

Services Provided:
Facility Audit: 1998
Feasibility Study: 1998
Aquatic Design & Engineering: 2002
Aquatic Operations: 2015 & Ongoing

Mr. Brent Battista
Aquatics Director
City of Burkburnett
501 Sheppard Rd.
Burkburnett, TX 76354
Phone: 940.569.2263
Email: bbattista@burkburnett.org

Services Provided:
Feasibility Study: 2013
Aquatic Design & Engineering: 2015
Aquatic Operations: 2015

Ms. Kathy Whitman, Aquatics Manager
Seattle Parks & Recreation Department
Aquatics Section at Westbridge
4209 W. Marginal Way SW
Seattle, WA 98106-1211
Phone: 206.684.7099
Email: Kathy.whitman@seattle.gov

Services Provided:
Business Plan: 2009
Aquatic Design & Engineering: 2013

Mr. Greg Patterson
Assistant Mayor
City of Gatlinburg
2231 Battle Ground Drive
Sevierville, TN 37862
Phone: (865) 201-2366
Email: Gpatterson@seviercountyttn.org
Project: Rocky Top Sports World

Mr. John Pederson
City Manager
City of Myrtle Beach, SC
937 Broadway St
Myrtle Beach, SC 29578
Phone: (843) 450-1042
Email: Jpederson@cityofMyrtleBeach.com
Project: Myrtle Beach Sports Center

Mr. Charles Penny
City Manager
City of Rocky Mount, NC
Phone: (252) 343-3101 / Direct: (252) 972-1331
Email: Charles.Penny@RockyMountNC.gov
Project: City of Rocky Mount, NC



JASON CLEMENT

Founding Partner & CEO, SFM

Jason is an accomplished endurance race athlete and a passionate contributor to causes that positively impact families and communities. He is also an experienced advisor having provided planning, strategy, finance, and operational leadership to projects in throughout the U.S., the Caribbean, Europe, Middle East, Canada, Asia, Africa and Central America.

Prior to transitioning to his current role as CEO of SFM, Jason served for nearly 10 years as the Chief Operating Officer for SFA and SFM from their infancy to their current state as enterprise level firms. Under his leadership the firms have become globally recognized leaders focusing on transforming the health and economic vitality of communities around the world. As the Chief Executive Officer of SFM, Jason leads the strategic direction, culture, and service standards that define SFM in the public sector and private sector markets we serve.

Jason retains his architecture license and began his career as a licensed architect specializing in sports complex design. He then worked in corporate real estate asset management where he oversaw the optimization and strategic oversight of major corporate real estate assets for such companies as Konica Phillips, USAAA, Nokia, and other large cap corporations.

In response to market demand Jason founded and led the launch of SFM overseeing the development of the organizations products, services, and management delivery systems.

Education

Iowa State University

Industry Experience

20+ Years of Corporate, Sport, and Recreation Management

Certifications & Affiliations

Bo Jackson's Elite Sports Development Group
Bo Jackson's Sports Leadership Centers of America
CoreNet Global, Business Resource
Empower Adventure Operations
Licensed Architect
Leadership Pinellas

Notable Projects

Myrtle Beach Sports Center
Myrtle Beach, SC

Round Rock Sports Complex
Round Rock, TX

Greater Lansing Sports Authority
Lansing, MI

Canada Games Centre
Halifax, Nova Scotia, Canada

City Beach
Fremont & Santa Clara, CA

Aviator Sports & Events Center
Brooklyn, NY

Upward Sports Star Center
Spartanburg, SC

Lake Barrington Field House
Lake Barrington, IL





ERIC SULLIVAN

Executive Vice President, Business Development | Partner

Eric earned his MBA in international Business and began his career as a professional soccer player. He joined SFA in 2006 and has since held nearly every operational role through SFA & SFM's growth. Eric now leads SFA and SFM's growth effort by designing service solutions that help our clients achieve their goals.

Eric developed the original financial and market analysis tools that SFA is most well-known for and led the first facility opening projects in our company history that paved the way for the launch of SFM. Since joining SFA & SFM in 2006, Eric has overseen and served as an advisor to hundreds of projects including market studies, financing plans, development plans, turn-arounds, and new facility openings. His work in domestic and international markets has included projects in the U.S., Canada, Caribbean, United Kingdom, Latin America, Asia, and the Middle East. Eric currently leads SFA & SFM's expansion efforts in our continued vision to integrate sports, fitness, education, leadership development, and adventure sports into communities around the globe.

In 2012, he was honored as a member of the Tampa Bay Business Journal's "30 Under 30" Up and Comers class. In total, Eric has been a catalyst for SFA's growth, leading the entire planning, funding, and grand opening of more than \$500 million in sports, fitness, recreation, and entertainment facilities.

Education

Niagara University
Bachelor of Business Administration
MBA-International Business

Industry Experience

10 Years

Certifications & Affiliations

Bo Jackson's Elite Sports Development Group
Bo Jackson's Sports Leadership Centers of America
CoreNet Global, Business Resource
Empower Adventure Operations
Leadership Pinellas
Clearwater Chamber of Commerce
Big Brothers, Big Sisters of Tampa Bay

Notable Projects

Salvation Army Kroc Center
South Bend, IN

Spooky Nook Sports Complex
Lancaster, PA

BucksMont Indoor Sports Center
Hatfield, PA

Canada Games Centre
Halifax, Nova Scotia, Canada

The Legends Sports Complex
The Woodlands, TX

Rocky Top Sports World
Gatlinburg, TN





JACK ADAMS

Vice President, SFM

Jack has overseen SFM since its founding. He is responsible for operating and optimizing sports, recreation, entertainment, and special event businesses throughout the U.S. His remarkable and successful career has spanned almost twenty years of operations, marketing, and programming of complex and multiplex facilities and venues in dozens of markets.

These operations have included live entertainment including the world's biggest names in music, dance, and theatrical & comedic performances. They have featured sports, recreation, concessions, restaurants (from high-volume to five-star dining,) hotels, retail, and real estate management components. These operations have also been in privately held, publicly traded, non-profit, and government/municipal environments.

Jack's entertainment venues were represented in Pollstar Magazine's "Top 100 Clubs" worldwide for 10 years, including five of those years at #2. He also led one of Billboard Magazine's "Worldwide Top 100 Nightclubs," and has opened and overseen many of the most celebrated amateur and youth sports centers in the country.

Jack specializes in multiple revenue center and corporate operations, programming and talent procurement, branding, marketing, PR, promotions, entertainment, forecasting, revenue and profit growth, cost control, optimization, leadership and team building, training, IT systems, risk and crisis management, planning and funding, project management and development, and new venue openings.

Notable Projects

Rocky Top Sports World
Gatlinburg, TN

Rocky Mount Event Center
Rocky Mount, NC

The Legends Sports Complex
The Woodlands, TX

Bo Jackson Elite Sports
Hilliard, OH

The HUB
Marion, IL

City Beach
Fremont and Santa Clara, CA

Love Hatbox Sports Complex
Muskogee, OK

Myrtle Beach Sports Center
Myrtle Beach, SC





STEVE GORIS

Planning & Management Advisor

Specialty: Financing, Development and Operations

Steve spent his early career overseeing hotel, convention center, and sports facility developments. His work in urban revitalization projects has included roles in the planning, financing, and operational phases of sports tourism, community sport, convention center, and hotel improvements. Steve provides strategy, management, and finance services to a number of communities throughout the United States and internationally.

Steve oversaw the development and opening of the largest indoor sports complex in North America, Spooky Nook Sports in the Lancaster, Pennsylvania and is currently overseeing new sports and convention developments in Ohio, Connecticut, North Carolina, Texas, Alabama, Saudi Arabia, and Thailand.

Education

University of Toledo
Bachelor of Business Administration
– Finance/Accounting

Industry Experience

9 Years

Certifications & Affiliations

Bo Jackson's Elite Sports
Development Group
Bo Jackson's Sports Leadership
Centers of America
Empower Adventure Operations
USA Volleyball – Keystone Region
Trinity Volleyball Club
City Beach Volleyball Club

Notable Projects

Spooky Nook Sports Complex
Lancaster, PA

Hill Country Indoor Sports Center
Bee Cave TX, PA

Upward Star Center
Spartanburg, NC

Love Hatbox Sports Complex
Muskogee Oklahoma

Rocky Top Sports World
Gatlinburg, TN

Rocky Mount Event Center
Rocky Mount, NC

Bo Jackson Elite Sports
Hilliard, OH

City Beach
Fremont and Santa Clear, CA

Kino Sports Complex
Tucson, AZ

Hoover Sports Complex
Hoover, AL





ANDY BALLARD

Vice President, SFM

Specialty: Management and Operations

Before Andy joined SFA & SFM, he served as the Vice President and COO of Eastern Sports Management (ESM) for 3 years. Andy has 15 years of expertise in facility operations, strategic planning, staff management, marketing, branding, expense controls, and business evaluation. Andy also specializes in growing and rehabilitation of businesses. On a 3-year management contract, Andy took an ESM managed facility in Downingtown, PA from an EBITDA low of \$386,000 (\$134,000 in the red) to \$1,200,000 (\$680,000 in the black). As part of his 10 years with the YMCA, he took YMCA Camp Silver Beach from 800 campers to over 2000 campers. In one summer, he restructured the entertainment and activities for Gold Key PHR taking them from losing over \$100,000 a year to a break-even. Andy opened the Virginia Beach Field House, the largest indoor facility under ESM, and reached \$3 million in the first year.

Andy is a graduate of Liberty University, one of the nation’s first accredited sport management programs. Andy has 15 years’ experience at running sports facilities that are nonprofit and for profit, start-ups and rehabilitations. His ability to manage and motivate people effectively allowed him to advance to the VP-COO position within 3 years with the company.

Andy’s life has been drastically impacted by sports. He has played basketball, baseball and football at various levels. He has coached baseball and basketball at the high school level and was a part of the 2004 VISAA Division III State Championship in baseball. This was the same year he was awarded teacher of the Year at Alliance Christian Schools.

Education

Liberty University

Industry Experience

15 Years

Notable Projects

Love Hatbox Sports Complex
Muskogee, OK

Bo Jackson’s Elite Sports
Hilliard, OH

Sports Kingdome
E. Fishkill, NY

Rocky Top Sports World
Gatlinburg, TN

Dan Duquette Sports Academy
Hinsdale, MA

The Legends Sports Complex
The Woodlands, TX

Upward Star Center
Spartanburg, SC





BRUCE RECTOR

Advisor & General Counsel

Bruce has 26 years of law practice experience and has taught and lectured on Sports Law topics during most of that time. He has worked in professional sports for the Indianapolis Colts, collegiate athletics at the University of Kentucky and as a volunteer leader for numerous local, state and national youth sports organizations and events. He also served as the 58th president of Junior Chamber International (JCI), a 200,000-member organization of young leaders and entrepreneurs from over 100 countries.

Prior to joining SFA & SFM, Bruce was President of KBA Sports, Inc., in Lexington, Kentucky where he led a team of professionals in organizing, hosting, and managing large sports and recreation programs including regional and national championship tournaments. In his final year at KBA Sports, the organization attracted over 500,000 visitors for various tournaments and events. An inspiring speaker, trainer and author on leadership topics, Bruce is the author of *Monday Morning Messages: Teaching, Inspiring and Motivating to Lead* (Xephor Press 2005).

Education

University of Kentucky

Industry Experience

15 Years

Certifications & Affiliations

Leadership Pinellas
University of the Cumberlands Board
of Trustees
Habitat for Humanity

Notable Projects

Rocky Top Sports World
Gatlinburg, TN

Sports Kingdome
E. Fishkill, NY

Rocky Mount Event Center
Rocky Mount, NC

Pelican Bay Aquatic Center
Edmond, OK

Dan Duquette Sports Academy
Hinsdale, MA

Jefferson County, FL

Love Hatbox Sports Complex
Muskogee, OK

Myrtle Beach Sports Center
Myrtle Beach, SC





KEVIN POST

Project Manager, Counsilman-Hunsaker

Kevin Post oversees the feasibility studies and aquatic operations services. Kevin’s objective is helping clients prepare for the development and capital investment of a new or existing aquatic facility serving a variety of user groups, program requirements, and owner types including municipalities, universities, YMCAs, and school districts.

Having completed over 75 feasibility studies, Kevin understands what it takes to successfully conduct master planning and business planning services. Kevin also assists new pool operators and owners with pre-opening management services, including staff training, facility specific business plans, and standard operating procedures. Kevin also provides clients with ongoing full-time management services to assist with sustainable operating practices for the life of the facility. Having been involved in aquatics for more than 15 years, he has multiple certifications and is a CPO Instructor certifying pool operators and providing individuals with the basic knowledge, techniques, and skills of pool and spa operations.

Education

Concordia University
Masters of Business Administration

University of North Texas
Bachelor of Science, Computer Science

Industry Experience

16 years

Certifications & Affiliations

Revenue Management School, NRPA

Certified Pool/Spa Operator, NSPF

Association of Aquatic Professionals

National Intramural Recreational
Sports Association

Notable Projects

Buncombe County - NC
Cameron Run Regional Park - VA
City of Alexandria - VA
City of Amarillo - TX
City of Bartlesville - OK
City of Baytown - TX
City of Buffalo - NY
City of Burkburnett - TX
City of Carlsbad - CA
City of Columbia - SC
City of Columbus City - IN
City of Dallas - TX

City of Fort Dodge - IA
City of Fort Worth - TX
City of Garland - TX
City of Jasper - IN
City of Largo - FL
City of Marion - IL
City of Milwaukee - WI
City of New Braunfels - TX
City of North Richland Hills - TX
City of Rapid City - SD
City of Sioux Falls - SD
City of Winchester - MA





GEORGE DEINES

Project Manager, Counsilman-Hunsaker

George Deines specializes in aquatic master planning, business planning, feasibility studies, and operational training and development. With 15 years of aquatic operations experience, including the management of a 4-acre waterpark in Garland, Texas, George understands what it takes to successfully conduct master planning and business planning services by presenting clients with options to repair, renovate, or replace.

In addition, George has a vast background when it comes to assisting new pool operators and owners with pre-opening management services, including staff training and facility-specific business plans, and presenting clients with operating manuals, lifeguard training, or the phasing of new amenities.

Education

University of North Texas
Bachelor of Arts

Dallas Theological Seminary
Master of Arts

Industry Experience

16 years

Certifications & Affiliations

Aquatic Facility Operator, NRPA

Certified Pool/Spa Operator, NSPF

Notable Projects

City of Canyon - TX

City of Dallas - TX

City of Doral - FL

City of Hilliard - OH

City of Largo - FL

City of Oklahoma City - OK

City of Purcell - OK

City of St. Charles - MO

City of Wellsboro - PA

San Jose USD - CA

Sharon Johnston Park - AL

Smith College - MA

Transylvania County - NC

Trinity University - TX

Wheeling Park District - IL

Elmbrook Swim Club - WI

Great Kanawha Aquatics - WV

Madison County - AL



ROCKY TOP SPORTS WORLD

Gatlinburg, TN

City of Gatlinburg & Sevier County Economic Development Council Tennessee



Date of Performance: July 2012- Currently Full-time Managed

SFA | SFM's Role: The initial market analysis and community needs/demand assessment phase included SFA's typical process of strategic planning, key stakeholder and user group interviews. Discussions involved key decision-makers related to the program plan (facilities, parking, sports surfaces, lighting, concessions, and other specifics), the financing structure, the operating and management model, main and ancillary revenue-generating business units, and site analysis. SFA's work also included a detailed financial forecast and economic impact analysis, an organizational and reporting structure chart, an organizational and management development timeline, and onsite presentations.

The City/County collective then contracted SFA's management entity – Sports Facilities Management (SFM) – to become the full-time management entity for this sports tourism destination. Following the thorough recruiting and staffing process to fill out the management team, SFM then embarked upon the very successful pre-opening marketing campaign. SFM's Leadership Team met its year one booking objectives three months prior to the August 2014 Grand Opening. Year one forecasted economic impact to be \$10M; the actual year one economic impact was \$17M. Year one also forecasted 26 events; actual booked and delivered events were 46 in total.

Scope of Work:

- Market Study
- On-Site Planning & Strategy Meetings
- Public Surveys & Outreach
- Stakeholder & User Interviews
- Development of Financial Forecast
- Economic Impact Analysis
- Organizational Chart
- Pre-Opening Development
- On-Site Presentations
- Management Plan
- Full Suite of Pre-Opening Initiatives
- Full time management

MYRTLE BEACH SPORTS CENTER

Myrtle Beach, SC



Date of Performance: March 2013- Currently Full-time Managed

SFA | SFM's Role: The initial market analysis and community needs/demand assessment phase included SFA's typical process of strategic planning, key stakeholder and user group interviews, and involved discussions with key decision-makers related to the program/activity plan (facilities, parking, sports surfaces, lighting, concessions, and other specifics), the financing structure, the operating and management model, main and ancillary revenue-generating programs, and site analysis.

SFA's work also included a detailed financial forecast and economic impact analysis, an organizational and reporting structure chart, an organizational and management development timeline, and on-site presentations. The City then contracted SFM for a full suite of pre-opening services, including a Pre-Opening Development Plan & Timeline as well as the setup and implementation of management and operating systems for the complex and the business. This led to a Full-Time Management agreement.

Scope of Work:

- Market Study
- On-Site Planning/Strategy Meetings,
- Site Tours Stakeholder/User Interviews
- Development of Financial Forecast,
- Economic Impact Analysis
- Organizational Chart
- Pre-Opening Development Plan/Timeline
- On-Site Presentations
- Full Suite of Pre-Opening Initiatives
- Full-Time Management

HOOVER SPORTS DEVELOPMENT

Hoover, AL



Date of Performance: May 2016– Present

Home of the SEC baseball tournament, this well-established sports venue is growing to include an indoor fieldhouse with multiple court options, outdoor fields, tennis courts, & more. The project also includes an RV park, splash pad, 10,800 person stadium, and a pro shop.

SFA|SFM's Role: The City of Hoover contracted SFM for a full suite of pre-opening services, including a Pre-Opening Development Plan & Timeline as well as the setup and implementation of management and operating systems for the complex. This led to a Full-Time Management contract for the first five years of operation which includes marketing, sponsorship and advertising sales and work with City officials.

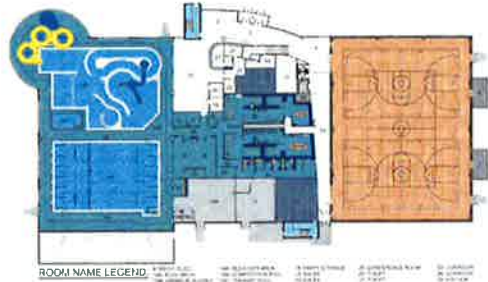
Scope of Work:

- Pre-Opening Development
- On-Site Presentations
- Management Plan
- Full Suite of Pre-Opening Initiatives
- Full-Time Management

THE HUB COMMUNITY RECREATION CENTER

Marion, IL

SFA | SFM Teaming with Counsilman-Hunsaker



SFA | SFM and Counsilman-Hunsaker's Role: SFA|SFM were engaged to produce feasibility study, cash flow forecasts, and a management plan for this highly publicized community recreation center. After completing design of the recreation center, the city retained the team of Counsilman-Hunsaker and Sports Facilities Management to provide Pre-Opening Management Services and ongoing Full-Time Management Services for the first five years of operation which includes marketing, sponsorship and advertising sales and work with City officials.

Pre-Opening Services:

- Timeline of activities along with action items and due dates
- Staffing requirements and on-site training
- Budgeting and accounting
- Sales and marketing
- Operating procedures and policies
- Program development
- Recommendations for the selection of aquatic vendors
- Negotiating sponsorships and advertising
- Aquatic facility job descriptions and training requirements

Full-Time Management Services:

- Progress oversight and reporting to all vested parties
- Annual Business Plan
- Monthly "budget vs. actual" meetings and monthly action planning sessions
- Unlimited access to the SFA & CH library of Customer Service, Group Events Sales,
- Revenue Optimization Resources
- Monthly owners report and board/owners meetings

UPWARD STAR CENTER

Spartanburg, SC



Date of Performance: April 2012- Current

SFA | SFM's Role: In the first scope of work, SFA completed a market analysis and demand analysis, facilitated a round of strategic planning sessions with organizational leaders and key stakeholders, and conducted interviews with existing and potential program directors. Next, SFA outlined the recommended facility program to support the anticipated programming; created construction and start-up cost estimates, and produced a full set of financial and facility utilization projections. Finally, SFA presented the results of the study and projections to the Upward Sports executive team and Board of Directors.

In the second phase, SFA worked with Upward to analyze a set of scenarios related to the purchase of existing buildings versus new construction, phased developments, etc. When the final decision was made for new construction of an indoor/outdoor model, SFA was engaged for a third scope of work to assist in design services by working with the design-build team and support the vendor selection and equipment procurement processes. In the fourth phase of work, SFA led pre-opening development for The Star Center by creating the pre-opening timeline and executing on the processes, including hiring, business development, financial development, marketing, program development, and staff training. Today, SFM supports with management consulting services to ensure the ongoing development of people, programs, and business practices.

Scope of Work:

- Market Study
- Planning & Strategy Meetings
- Site Tours
- Stakeholder & User Group Interviews
- Development of Financial Forecast
- On-Site Presentation
- Supplemental Financial Forecasts
- Design Consultation
- Vendor Procurement and Purchasing Support
- Pre-Opening Timeline Development
- Pre-Opening Management Services
- Asset Management

LOVE HATBOX SPORTS COMPLEX

Muskogee, OK



Love-Hatbox Sports Complex is a sports complex set on 60 acres located in Muskogee, Oklahoma and that accommodate a multitude of sports. Love-Hatbox hosts leagues, camps, tournaments, and a variety of outdoor events.

SFA | SFM's Role: SFM was hired to optimize this historic venue. In the first year of SFM management, the top line revenue increased 5-fold and is on-track to increase in year two. SFM has aided the venue in event hosting and expansion planning including an outdoor amphitheater and adventure experience.

Scope of Work:

- Site Visit
- Inventory of Existing Facilities
- Regional Competition Tour
- Strategic Planning Session
- Organizational Chart
- Pre-Opening Development Plan/Timeline
- On-Site Presentations
- Full Suite of Pre-Opening Initiatives
- Operational Planning & Development
- Full-Time Management

LEGENDS SPORTS COMPLEX

The Woodlands, TX



Date of Performance: October 2010 – Current Full-Time Management

Legends Sports Complex is a 100,000 square-foot indoor and outdoor multi-sport facility featuring batting cages, a rock wall, fitness center, sand volleyball courts, basketball/volleyball courts, turf fields and more.

SFA | SFM's Role: Since 2010, SFM has supported the management of Legends Sports Complex in The Woodlands, TX. Legends features 4 indoor courts, an indoor turf field, 10,000 square foot fitness center, 20 batting cages, rock climbing wall, and two outdoor diamonds, and a multi-purpose field. SFM's work began as operational consulting for the ownership and management team. In 2012, Legends Ownership Team engaged SFM to perform full-time management of the venue. Since that time, SFM has taken Legends to new levels of performance, utilization, and return on investment.

Scope of Work:

- Market Study
- Pro Forma
- Capital Acquisition Services
- Pre-Opening Timeline
- Pre-Opening Management Services
- Design Consultation
- Equipment Procurement Support
- Development Group
- Pre-Opening Development
- Organizational Chart
- Venue Staffing
- Marketing/Design Support
- Full Time Management Services



The City of Burkburnett retained Counsilman Hunsaker to design their new \$4.4 million, 11,000 sq. ft. Boomtown Bay Family Aquatic Center, which includes a 2,500 sq. ft. Lap Pool and an 8,000 sq. ft. Leisure Pool consisting of a current channel, vortex, two waterslides, and a children's play structure.

Pre-Opening Services

After completing design services for the aquatic center, the city retained the team of Counsilman-Hunsaker and Sports Facilities Management to provide Pre-Opening Services which included:

- Recruiting an experienced General Manager with experience in the local community
- Developing a Standard Operating Procedures Manual
- Development of Swim Lesson and Instructor Training program
- Developing an organizational chart, job descriptions and accountabilities for key personnel
- Recommendations for selection of vendors
- Assistance in implementing a point-of-sale system
- Facilities training for management personnel
- Grand Opening event preparation
- Grand opening day-of support to ensure a smooth event
- Post grand opening recommendations on staff training, lifeguard placement, customer service, and safety protocols

During the grand opening event, the guests enjoyed activities and a full day of fun, even when the park reached capacity several times throughout the day. The Counsilman-Hunsaker staff remained onsite assisting with evaluating lifeguard behaviors and placement, safety protocols, and policy recommendations.

Reference:

Mr. Brent Battista
Aquatics Director
City of Burkburnett
501 Sheppard Rd.
Burkburnett, TX 76354
Phone: 940.569.2263
Email: bbattista@burkburnett.org

Project Cost: \$4,400,000
Aquatics Cost: \$1,750,000

Date Completed: June 2015

Services Provided:
Feasibility Study: 2013
Aquatic Design & Engineering: 2015



Freedom Springs Aquatics Park features a continuous river, 3,750 sq. ft. lap pool, a 4,250 sq. ft. leisure pool with a kids play structure, and three water slides for all ages to enjoy. The outdoor aquatic center embodies the community's needs and objectives by combining leisure areas and fitness/competitive swimming program spaces, and also provides swim lessons and water fitness classes.

After completing design services for the aquatic center, the city retained the team of Councilman-Hunsaker and Sports Facilities Management to provide Pre-Opening Management Services and ongoing Full-Time Management Services for the first three years of operation.

During its inaugural season, Freedom Springs greatly exceeded its revenue projection and created a community buzz that left the guests excited for the next summer season.

Pre-Opening Services:

- Timeline of activities along with action items and due dates
- Recruiting an experienced General Manager
- Budgeting and accounting
- Sales and marketing
- Operating procedures and policies
- Program development
- Recommendations for the selection of aquatic vendors
- Negotiating sponsorships and advertising
- Aquatic facility job descriptions and training

Full-Time Management Services:

- Progress oversight and reporting to all vested parties
- Annual Business Plan Update
- Monthly "budget vs. actual" meetings and monthly action planning sessions
- Unlimited access to the Sports Facilities Management and Councilman-Hunsaker's library of Customer Service, Group Events Sales, Revenue Optimization Resources
- Monthly owners report and city council Meetings
- Ongoing General Manager training on aquatic trends, marketing, and safety standards
- Periodic site visits to audit safety and efficiency of operations

Marketing Plan

In addition to the design and operations of the park, Councilman-Hunsaker developed a comprehensive marketing plan to introduce the facility to the community and generate brand awareness. Programming and marketing center around a "Freedom and Liberty" theme. Marketing and advertising mediums included: Radio, Local Sports Team Partnerships, Sponsorship packages, Billboard, Daily Deals, and Website Optimization.

Reference:

Mr. John Shell, Project Manager
City of Greenwood
300 S. Madison Ave.
Greenwood, IN 46143
Phone: 317.887.5230; Email: shellj@greenwood.in.gov

Services Provided:

Aquatic Design and Engineering: 2015
Pre-Opening Management Services and Full-Time Management Services: 2015



Riverside County Regional Park and Open-Space District retained Counselman-Hunsaker to provide an Aquatic Business Plan to manage its aquatic resources for the new Jurupa Aquatic Center. The plan gave direction to successfully enable staff to prepare for the district's aquatic operations, using best management practices and operational efficiencies.

The Jurupa Aquatic Center is a new state-of-the-art outdoor aquatic complex that will bring new opportunities for fitness, recreation, and overall community wellness to the citizens of Riverside County. The center will be a key component in Riverside County's on-going mission to develop and manage the Riverside County Regional Park and Open-Space District for the inspiration, use, and enjoyment of all people.

A Marketing Plan was provided outlining activities and events to successfully introduce the facility to the community. The plan included best practices for continual improvement during the operation of the facility, a narrated video presentation to be used on client's website to promote amenities and activities available at the facility, and a facility brochure to promote events and activities during the first three months of operation. In addition, we worked with site staff to implement a robust marketing program complete with sponsorships, website optimization, brand creation, a social media growth program, billboard, television and radio ads, local sports team advertisement, and more, which resulted in driving in enough business to support a 90% cost recovery operation.

References:

Ms. Kyla Brown
Assistant Director - Operations & Resources
Riverside County Regional Park and Open Space District
4600 Crestmore Road
Riverside, CA 92509

Phone: 951.955.3956
Email: kylabrown@rivcoparks.org

Service Provided:
Aquatic Business Plan: 2010





The 12,500 sq. ft. pool is designed as one body of water with a variety of fitness and leisure attractions including a 25-yard lap pool with six lanes, interactive water play features, current channel, vortex, and a separate 1,250 sq. ft. sprayground.

In 2015, the city retained the team of Counsilman-Hunsaker and Sports Facilities Management to provide Full-Time Management Services for the first five years of operation. The management team recruited an experienced General Manager, hired and trained over 60 employees, launched a new point-of-sale system, and opened for daily operations within 8 weeks of being contracted. The first summer under new management, the facility was operating without a subsidy and Food and Beverage sales experienced a 30% increase. It is expected that each year, revenue will increase as new programs and efficiencies are added.

Full-Time Management Services:

- Progress oversight and reporting to all vested parties
- Annual Business Plan Update
- Monthly "budget vs. actual" meetings and monthly action planning sessions
- Unlimited access to the SFA & CH library of
- Customer Service, Group Events Sales, Revenue Optimization Resources
- Monthly owners report and city council meetings
- Recruiting, Hiring, and Ongoing training of experienced General Manager
- Recruiting, Hiring and Ongoing training of aquatics, food and beverage, and admissions staff
- Marketing plan development, implementation, and analysis
- Food and Beverage menu engineering, operations, and product placement analysis
- Development and Implementation of aquatic programming

Marketing Plan

Through our planning process, we have implemented a recent marketing plan for the facility. We are discovering untapped community resources and opportunities for improvement over the previous operators' marketing plan. We are in the process of implementing a more aggressive social media campaign, email blast campaign, targeted Pool Party marketing and advertising, and re-branding the facility to increase attendance numbers and community recognition.

Services Provided:

- Facility Audit: 1998
- Feasibility Study: 1998
- Aquatic Design & Engineering: 2002
- Aquatic Operations: 2015 & Ongoing

Reference:

Ms. Diane Self
Recreation Program Manager
City of Edmond
Parks and Recreation Department
2733 Marilyn Williams Drive
Edmond, OK 73003
Phone: 405.216.7635
Email: diane.self@edmondok.com

Project Cost: \$3,900,000
Date Completed: May 2002

OPERATION PLAN

1. Management Plan

Our Full-Time Management Support Services will provide 100% accountability for day-to-day operations of the Facility. With Management Support Services, the City of Sherwood will have access to a team of experienced operators that will assist with all strategic planning and operational support during the length of the agreement. Our team will work with City leadership and staff to understand the “definition of success” for operations and work diligently to achieve those results. The key is that City leadership and staff still have operational direction of how they want the facility to perform, our team helps to execute that reality with transparent reporting and full accountability.

Our Full-Time Management (FTM) solution proposed for the Facility, includes day-to-day oversight of all aspects of the facility operations including:

- Sales
- Staffing
- Scheduling
- Membership & Program Development and Management
- Events Booking and Events Management
- Financial Tracking
- Guest Services
- Monthly Financial Reporting
- Annual Audit Preparation with the CPA and other representatives from the City
- Human Resources Oversight
- Legal and Risk Management Advisory Services
- Bookkeeping
- Maintenance and Upkeep

The National Network

Additionally, only our General Managers and leadership teams are part of the our network of GM’s across the Country. This means that your facility will be led by a GM and leadership team that participate in the weekly teleconference and videoconference meetings with other GM’s and with the team of our operations advisors. This call requires each facility manager to report in on the progress they are making against established goals and it provides opportunity for each of our GM’s to seek perspective from other managers who are dealing with or have already overcome similar challenges. All of these



centers deal with the same challenges and opportunities inherent to the sports/fitness/recreation/entertainment facility industry. These managers are also benchmarked against one another and against the highest revenue producing and highest EBITDA-producing facilities in the country. The result is that your facility will be managed to utilize the culture of accountability, best practices, proven strategies, and profit-focused tactics that are constantly honed within the our FTM network.

Monthly Variance Reporting (Budget Versus Actual)

With our management solution your facility will undergo a rigorous monthly "Budget Versus Actual" (variance) review. Led by a full-time Management Advisor from our home office, your GM, leadership team, and staff will be part of a monthly top-to-bottom review of the operation including a line item review of "Budget vs. Actual" results. The process includes a review of the prior month performance, a forward-looking discussion of critical action items, marketing initiatives, and a pace-to-goal session. This "variance" process drives performance and accountability while providing your team with the expertise and resources of our management advisors.

Final Say

Approval of our onsite GM is 100% up to you. If you desire, we will present the candidate we have selected and the rationale for the selection. Your team will then approve or reject the candidate. Finally, with our FTM program, you will be guaranteed temporary management and replacement of any position in the event of a future unexpected GM/leadership team departure. With the FTM program you benefit from:

1. Full-time on-site General Manager and leadership team
2. GM constant learning and accountability through the our FTM national network
3. Replacement of the GM and placement of a temporary and experienced GM in the event of a departure
4. A career-minded industry professional
5. A culture of accountability
6. Annual Business Plan written for your facility by our management advisors
7. Monthly "budget vs. actual" meeting and monthly action planning session
8. Weekly participation in FTM network
9. Transparent financial and bank reconciliation reporting
10. Unlimited access to our library of customer service, programming, & operations resources
11. Monthly operations and financial report and board/owners meeting to include the GM and and your dedicated Account Executive
12. Direct reporting of your GM into SFM ownership

Management Services

To help ensure operational success, our Full-Time Management Services include:

- Creation and annual review/updating of business plan, marketing action plan, and budgets
- Seasonal budget and marketing action plans
- Marketing and advertising plan and campaigns
 - Website optimization and social media campaign
 - PR campaign
 - Tradeshow and conference schedule (as applicable)
 - Direct sales and direct calls to event and tournament organizers

- Familiarization visits
- Integration and collaboration with local Parks & Rec department and local CVB
- Site-specific tournament and event development
- Direct Mail campaign
- Article writing and print advertising
- Detailed timeline and action items for development and facility/operation updates
- Annual review of the business year prior and identification of new programming
- Capital improvements suggestions and review
- Identification of new investments
- Monthly "Budget vs. Actual" (Variance) review
- Routine review/recommendations for programming, marketing, reporting, organization updates
- Action plan for local/regional alliances and agreements with sports/recreation organizations to bolster and maintain utilization through recurring leagues and programs as well as tournaments and events
- Weekly management calls for business development and operations
- Recurring coaching and collaboration sessions with SFM/CH Corporate and network GM's
- Job analysis, candidate screening, interviewing, selection, and finalizing of job offers
- Induction, onboarding, and training of new employees
- Computer & IT services and support
- Payroll administration and support
- Provide and administer health insurance program
- Provide worker's compensation insurance
- Share 'best-practices' policies and procedures, acquired instructions and forms
- Identify and recommend qualified vendors, programs and software, and proven hardware solutions
- Annual updating of Business Plan
- Employment Plan
- Food & Beverage Plan
- Financial Tracking and Monitoring (collection of monies, books and records, insurance, taxes and assessments, compliance with legal requirements, other fees and costs, etc.

2. Marketing Plan

SFM's marketing approach is comprised of four primary phases:

- | | |
|---------------------------|-----------------------|
| I. Education and Research | III. Execution |
| II. Strategy and Planning | IV. Review and Revise |

The education and research phase begins with a thorough analysis of the pro forma, business plan, and major revenue streams by the SFM/CH marketing department. The department then creates a custom, comprehensive training and orientation document which includes specific duties and expectations by role, key development phases, budgetary and strategic best practices, revenues and lead-generation goals (see Exhibit A). This document is delivered to the facility in a hands-on training with the staff.

Phase two of the marketing approach focuses on the annual marketing strategy and tactical planning. Utilizing industry best practices and unique SFM/CH intellectual property, the Management Team creates a plan which includes all of the events and programs for each respective season. Each program then has the marketing action steps identified for each of the recommended marketing outlets. Within the plan, the Management Team identifies who is responsible for executing the actionable step, what the details to the

actionable step includes, the deadline for completion, and the impact to the marketing budget. This marketing action plan allows the Management Team to ensure that each of our programs and events are marketed through every marketing outlet for each season.

The programs are broken out by category (e.g. Youth Sports, Adult Sports, Summer Camps, Group Events, Training, Membership, Food & Beverage, Retail, General Marketing, Social Media). Each of the programs contains different programmatic options (e.g. tournaments, camps, clinics, leagues, pick-up/drop-in). The various marketing outlets encompass Online Marketing, Direct Marketing (Facility/Email/Phone), In-Center Events, Exterior Marketing, Free Marketing (Press Releases/Online Ads/E-blasts), Paid Advertising, etc.

For each unique market, we work with our public partners, CVB's, and Sports Commissions to define the brand of the venue and promote the overall destination, as well as, program/event specific advertising.

We will develop and detail the marketing and advertising plan for each coming calendar year. Our team will conduct market surveys, develop ongoing marketing and advertising programs for the Facility and its programs, and will define a schedule of marketing and advertising activities.

The marketing plan will include details related to the schedule of:

1. Website optimization and social media campaign
2. National and regional public relations campaign
3. Sponsorship Campaign
4. Direct sales and direct calls to event and tournament organizers
5. Familiarization visits
6. Integration and collaboration with the County and local CVB
7. Site-specific tournament and event development
8. Negotiations with strategic alliances and referral sources
9. Direct mail campaign
10. Article writing and print advertising
11. Collaborations with local sports organizations

During the execution phase of the marketing approach, the in-field facility team is aided in the execution of the marketing plan by the Management Team's Marketing department. The execution of the marketing plan begins long before the doors to the facility have opened with the brand development and graphic identity design.

Each SFM/CH facility is to be equipped with a branded kit of marketing materials and accounts that include, but are not limited to:

1. Facility Name & Logo
2. Facility Overview Brochure & Program Guide
3. Email Templates and Email Marketing Account
4. Social Media Images and Social Media Accounts (Facebook, Twitter)
5. Basic Marketing Collateral (business card, letterhead, and folder designs)
6. Website Development Project Management
7. Google Analytics
8. Press Release Templates

Our season teams bring additional value by providing sponsorship expertise and guidance, media partnerships, and purchasing negotiation tactics.

Like the annual marketing planning and ongoing support, in the “review and revise” phase of the marketing approach, each venue has marketing campaign performance updates and reviews which compare performance to industry-standards and SFM/CH requirements. The facility marketing team remains nimble to adjust strategies and tactics to changing market conditions and shifting trends under the close guidance of the SFM marketing department.

3. Staffing

Our Full-Time Management Services (FTM) includes the selection, placement, and ongoing development of a full-time employed GM and leadership staff at your facility. As one of our managed venues, your facility will be led by an individual who is fully accountable to our corporate team and who views their role in optimizing your facility as a true career path. Our culture attracts and develops ambitious, outcome-oriented managers. Our firms’ managers are professionals who have previously managed operations for Disney’s Wide World of Sports, Gaylord Entertainment, the House of Blues, Lifetime Fitness, the YMCA, SMG, NBC Comcast Global Spectrum, Westin Resorts, The United States Army, The United States Marine Corps, and a wide range of sport and recreation centers.

With Full-Time Management, your GM/leadership team reports directly to the Vice President of SFM and the CEO of SFM. The GM is fully accountable to employing our best practices and executing on every action item identified in your annual business plan and monthly action plan. This accountability allows for no excuses and no gap between the plan, the goal, and the on-the-ground execution.

The table of contents from SFM’s employee handbook has been provided in Exhibit A.

4. Program or Curriculum

The operating team will be responsible for all programming aspects of the Sherwood Recreational & Aquatic Center. This includes, but is not limited to:

- Memberships
- Learn to swim programs
- Dryland & Aquatic Fitness Programs
- Group Exercise
- Sports – Leagues, Camps, Clinics, Tournaments, & Training
- Non-sporting Events
- Community Gatherings
- Birthday Parties
- Afterschool Programming
- Facility Rentals
- Educational Programs & Field Trips
- All ages “Toddler to Senior” programs

By working with the City officials, staff, and Parks and Recreation, the operating team will create daily, weekly, seasonal, and annual program plans. The program plan will be developed based on program

popularity, customer demand, and current industry trends. The operating team successfully operates numerous sports, fitness, recreation, and entertainment programs for both dry activities and aquatics.

5. Financial Plan

Below is an explanation of the overall financial plan that the SFM led operations team would use to report to the City of Sherwood on a regular basis.

Budgets: All budgets will be prepared with the advice and counsel of the City, based on what the Management Team believes to be reasonable assumptions and projections. These budgets will be presented in reasonable detail, and the owner will have the right/opportunity to approve or deny the budget and operating plan. The Management Team will not be deemed to have made any guarantee or warranty in connection with the results of operations or performance set forth in the Budgets since the parties acknowledge that the Budgets are based solely upon the Management Team's judgment and the facts and circumstances known by the Management Team at the time of preparation. The Management Team will present the following as described below:

→ Initial Budget

On or before the date that is ninety (90) days after the Commencement Date, the Management Team will submit to City – for review and approval – an Initial Budget setting forth the projected income and the projected costs associated with the operations of the Sherwood Recreational & Aquatic Center for the first full Calendar Year.

→ Annual Operations Budget

As a part of the Business Plan for each Calendar Year during the Term, the Management Team will submit a budget setting forth all Operating Expenses associated with the operations of the Sherwood Recreational & Aquatic Center for the upcoming Calendar Year or part thereof within the Term and all projected Gross Receipts (the “Annual Operations Budget”). This will include EBITDA margin targets and Cost of Goods Sold (COGS) “max not to exceed” limitations that the City will have the right to approve or disapprove.

→ Emergency Expenditures

In the event, at any time during the Term, a condition should exist in, on, or about the Sherwood Recreational & Aquatic Center of an emergency nature that, in the Management Team's discretion, requires immediate action to preserve and protect the Sherwood Recreational & Aquatic Center or property or both or to protect the Sherwood Recreational & Aquatic Center's customers, guests, or employees, the Management Team will take all steps and to make all reasonable expenditures within such five percent as necessary to repair and correct any such condition.

→ Capital Expenditures Budget

As a part of the Business Plan for each Calendar Year during the Term, the Management Team will also submit a budget setting forth the projected costs of proposed capital improvements within and to the Sherwood Recreational & Aquatic Center for the upcoming Calendar Year or part thereof within the Term (the “Capital Expenditures Budget”). Such Capital Expenditures Budget will be accompanied by the Management Team's recommended 5-year capital improvement program, which will also be updated annually.

- Independent Accounting Firm: In addition, the Management Team will, if requested by City, hire an independent certified public accounting firm to be paid for out of the Operating budget of the Sherwood Recreational & Aquatic Center and to be selected by City to audit the financial statements

required under this Agreement.

- Accounting Records and Reporting: During the Term the Management Team will maintain accounting records in a format consistent (in all material respects) with generally accepted accounting practices. The Management Team will provide the following financial statements in a format reasonably specified by City:

→ Monthly

During the Term, the Management Team will submit to City, within 20 days after the close of each calendar month, a financial statement, including a 12-month cash flow forecast, showing in reasonably accurate detail the financial activities of the Sherwood Recreational & Aquatic Center for the preceding calendar month and the Calendar Year to date.

→ Annual

During the Term, the Management Team will submit to City, within 60 days after the close of each Calendar Year, a financial statement showing in reasonably accurate detail the financial activities of the Sherwood Recreational & Aquatic Center for the Calendar Year then ended.

- Internal Control: The Management Team will agree to develop, install, and maintain reasonably appropriate accounting, operating, and administrative controls governing the financial aspects of the Facility, such controls to be consistent with generally accepted accounting practices.
- Advertising & Sponsorship Sales: To maximize advertising and sponsorship sales for the Facility, the Management Team will utilize our national network. The scale of our reach combined with our proven ability to project utilization and impressions for sponsors and advertisers will be crucial in attracting such opportunities for the facility.

6. Maintenance Plan

With full-time management, the Management Team is accountable to oversee all maintenance at the Facility. It is our intention to keep the Facility up to world-class standards. This includes the upkeep of the entire Facility and specifically the following areas:

- General Grounds Maintenance
- Athletics Facilities Maintenance
- Sports Surfaces Maintenance
- Facility/Building Maintenance
- Janitorial Services

On-site staff will lead all of these areas of responsibility and the expense will be covered out of the Management Team's working budget. While most areas will be carried out by on-site staff, some activities may be outsourced to local specialists specially relating to the use of herbicides, pesticides, and anti-fungal treatments that utilize chemicals that often require a license or local compliance to apply. Every aspect will be compiled into a detailed maintenance plan that ensures the Facility is kept to beautiful standards and that keep guests safe.

Once selected, this maintenance plan will include very detailed schedules for daily, weekly, monthly, quarterly, and annual cleaning, repair, maintenance, and safety inspection. The Management Team will

ensure that the Facility upkeep is never a worry of the City and is kept in a fashion the City will be proud of for the duration of the Management Team's service.

7. Compensation

To respond to the varied needs and goals of municipalities, as well as the diverse programming and organizational structures implemented at these facilities; the Management Team of SFM Aquatics is proposing the "Full-Time Management" for the complete operation of the Facility. As the industry leader in the management and operations at youth- and community-based sports, recreation, aquatic, and event facilities, SFM Aquatics management services have resulted in achieving the operational and financial goals for many community assets across the country.

Phase II Fees:

Base Management Fee:

•Years 1-5 = \$276,000/year + travel not to exceed \$24,000.00/year without prior written approval

Notes: SFA Deferred Management Incentive is 5% of gross revenue exceeding \$500K yearly + 20% of sponsorship income. The management level staffing expense is a direct pass-through and will be invoiced quarterly to maintain a payroll account for management staff.

EXHIBIT A



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