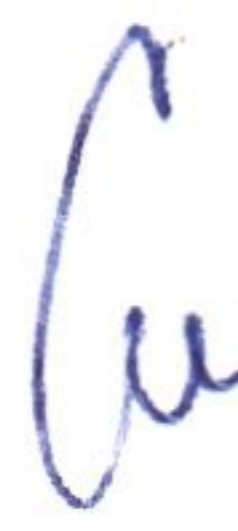


Date: November 18, 2013

To: Honorable Mayor and City Commission 

From: Robert Baldwin, City Manager

By: Colin Donnelly, Mark Felicetty and Mark Bates

Subject: Pier Management Services

The Recreation Department has been the pier operator since July 2011. This opportunity has given the city a better understanding of pier operations and provided a vision of the opportunities a well-run pier could provide our residents in coming years. After a visit to the fishing pier a casual observer may conclude that the fishing pier could be better run. Such an observation is bolstered by *September 30, 2013 – 12-months (100% of yr.) Pier Budgetary Report*, which reflects:

- Overall pier revenue has decreased \$12,000 from last year's level ~\$374K last year to ~\$362K this year.
- Paid fishing receipts at the Pier are down.
- Pier merchandise cost-of-sales reflects an increase from last year's levels despite a decline in merchandise sales
- Decreasing revenues contradict increased beach activity from operations of the Quarterdeck restaurant garnering much more customer traffic and parking revenues to the Pier area.

The administration believes there is an opportunity to improve fishing pier services for residents and guests while increasing revenue for the City. A fishing pier operation is a niche service, requiring skills and specialize knowledge beyond the customary knowledge of a municipal Recreation Department. A fishing pier is as much a retail operation as recreational service. Engaging an operator with specialized experience in bait/retailing/ fishing/pier operation will create greater value for pier visitors, the City and its residents and help compliment other Beach area improvements being accomplished in this area.

Towards that end, the administration initiated a strategy to seek out interest from experienced and interested operators; soliciting proposals fashioned similar in nature to the Marina management contract. The administration solicited operators with both a

City relationship and familiarity with its beach and pier patrons. Improved management and oversight of the pier will better coordinate operations with the pier restaurant, new city marina, and public beach areas providing a level of service that is better able to meet increasing expectations at the beach.

The administration requested interest from the following three vendors:

- Paul Flanigan, operator of pier's Quarter Deck Restaurant
- Westrec Marinas, the city's marina management vendor
- Thomas Zannucci, Dania Pier Management Corp., operator of the city's fishing pier from 1995 – 2004.

Vendors were given the FY 2012 approved City Pier budget plan and asked to provide an outline of their pier management services. Management services were to include and represent all staffing and related personnel costs to operate the Pier and keep it clean. In return, the vendor would retain all revenue from bait shop and merchandise sales. The City would retain all admission revenues at the Pier, using these funds to pay the management fee, provide pier maintenance, utilities, capital improvements, and licenses and rental costs. These points were not intended to be the final framework for an agreement, but a basis for discussion. Negotiations may include other elements such as revenue sharing, capital improvements and operational issues.

### Analysis of Vendors

All vendors stated that they would make investments to the appearance of the Pier entry area and in new equipment such as freezers, live bait wells or both.

The proposed management fee was roughly equivalent for Westrec and Dania Pier Management, while the Quarterdeck's fee was substantially greater.

All references were checked and all came back positive.

### Recommendation

After extensive analysis and consideration, the committee consisting of Colin Donnelly, Mark Bates, and Mark Felicetty unanimously recommend Westrec Marinas as the top ranked pier operator after the following points of evaluation:

- Success with other governmental retailing and recreation operations
- Symbiotic support involving marina, beach, parking, and restaurant patrons
- Investment in POS (point of sale system)

- Reputation and reliability of management
- Competitive management fee

The administration recommends Commission approval to waive bidding and allow the Administration to negotiate a management agreement with Westrec Marinas for Commission consideration and approval.

Attachments: Proposals, pier budget

# QUARTERDECK

*Come for the food • Stay for the fun*

## Presentation to City of Dania Beach to manage the City Pier

The unwavering goal of the Dania Beach Quarterdeck is to be an integral part of a world class destination. With a fantastic new marina; beautiful beach; natural hammock; adjoining state park; and fishing pier; we are a prime candidate for a Travel Channel introduction to visitors from all over the world. We believe we are uniquely suited to manage the city pier. Our management skills speak for themselves. We invested over \$1.0 million into a first-class casual restaurant exceeding everyone's expectations. We intend to make additional investments into the park via kiosks, and tables and chairs on the beach, and sliding benches, covered tables and stainless steel bait and ice stations on the pier. And we are on-site 24-7-365.

We will run the pier as we run our restaurant – profitably and professionally. There are many issues that need to be addressed. However, we will address the following immediately:

1. **Staff:** Image and first impressions are everything for both the Quarterdeck and the city. The Quarterdeck's grooming, dress code standards and demeanor will apply to all pier employees. Staffing inefficiencies will be eliminated; staff productivity will increase. Pier employees will not be city employees. The Quarterdeck will manage the payroll be reimbursed by the City monthly.
2. **Bait shop:** We will improve the bait shop's inventory. We will maintain a well stocked line of fishing products as well as small convenience store inventory including beer, wine, soda, coffee, cappuccino and ice. Beach supplies such as sun block, tar remover, sunglasses, visors, t-shirts and flip flops may also be available.
3. **Management of the pier:**
  - a. **Pier revenue:** First and foremost, we will increase the supervision and cash controls for admission to the pier. This is basically a toll booth – everyone pays. We believe and have been advised that this is presently an issue. Moreover, we believe the gate revenue will improve as cleanliness improves and amenities are added.

- b. **Cleanliness of pier:** We will definitely improve the cleanliness of the pier – especially the BATHROOM. “Got time to lean? Then you got time to clean.” Cleanliness of the entire pier will be monitored daily. Our pier staff will clean the bathrooms!
  - c. **Improved amenities:** We are prepared to deliver up to 20 of our trade-mark sliding benches and covered tables to the pier for residents, customers and tourists to enjoy. We will also deliver two stainless steel bait stations. These will increase both Bait Shop and pier gate revenue as customers will have a reason to stop and enjoy all the Dania Pier has to offer.
4. **Maintenance of Pier:** As we are on site basically 24-7-365, we will be on top of any pier issues. We will communicate directly with city staff and upon their direction, will coordinate all necessary repairs on a timely basis.
5. **Administrative matters:** We will coordinate all administrative matters – including insurance issues – with City staff.

The Quarterdeck will perform these services at the highest professional level. In return, Quarterdeck will be compensated with a monthly fee of \$5,000 – basically the cost of hiring a new manager - and all the Bait Shop revenue. The City of Dania Beach will receive all of the pier gate funds. We believe this is more than a Win- Win situation. It's Win-Win-Win for the City of Dania Beach, the Dania Beach Quarterdeck and the City of Dania Beach residents.

Our goal is to make the Dania Beach pier fantastic!

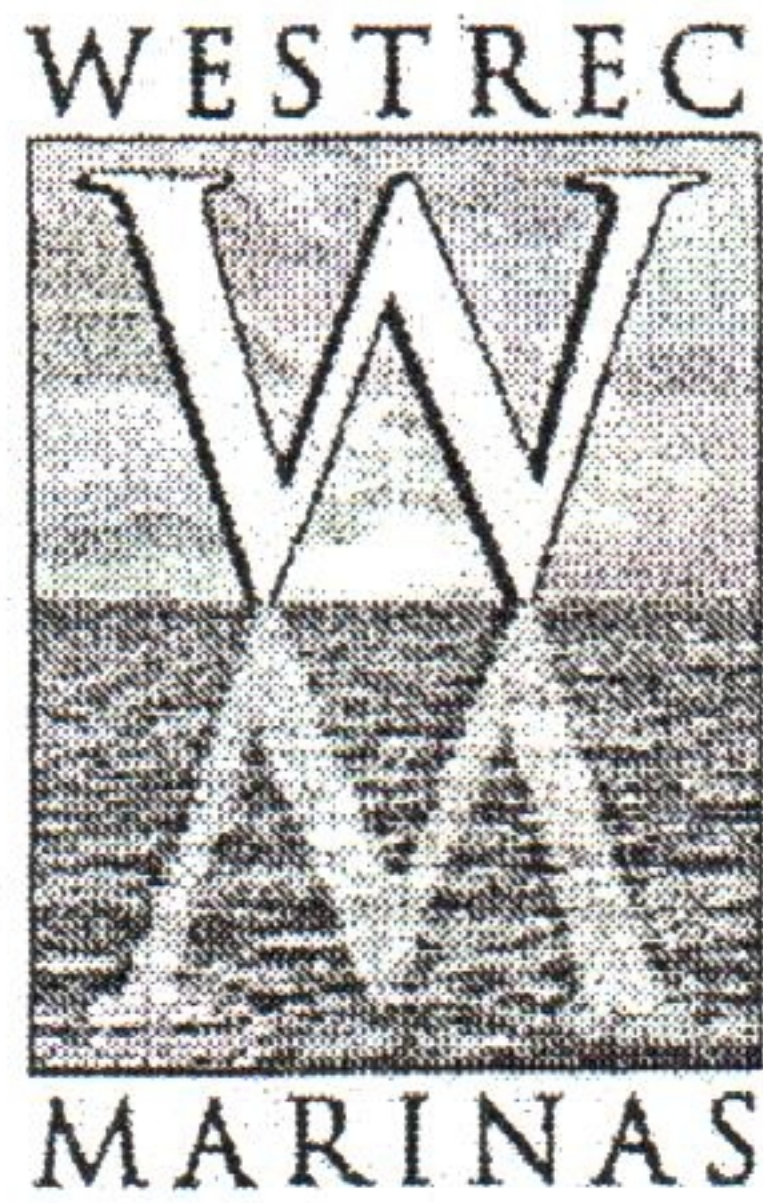
Thank you in advance for your consideration of our proposal.

Sincerely,

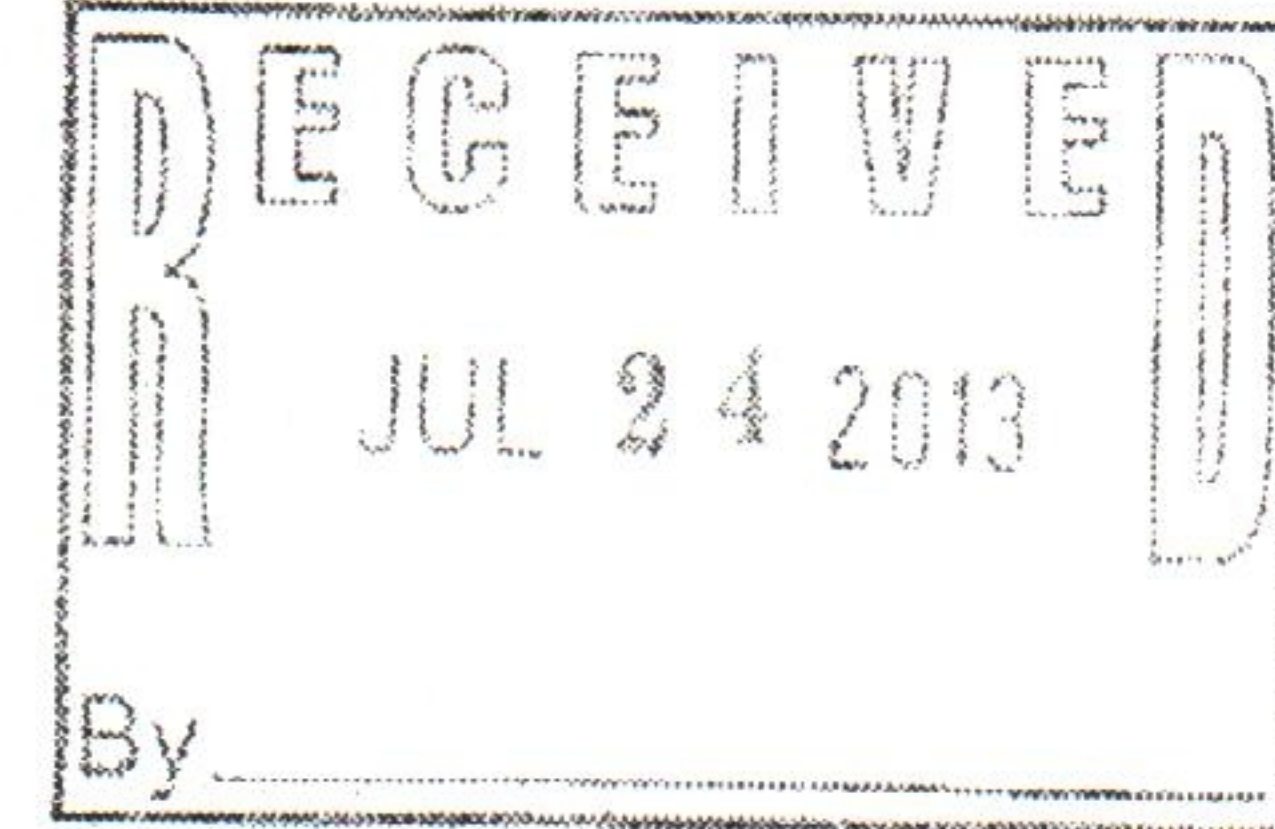
*Paul Flanigan*

*Frank D. Zaffere*

July 16, 2013



**SOUTHERN REGIONAL OFFICE**  
**801 North East Third Street, Dania Beach, Florida 33004**  
**Phone 954-926-0300 ext 4 Fax 954-922-5485**  
**Email [westrecsrmtv@prodigy.net](mailto:westrecsrmtv@prodigy.net)**



18 July 2013

Robert Baldwin  
City Manager  
The City of Dania Beach  
100 West Dania Beach Boulevard  
Dania Beach, Florida 33004

RE: Proposal for the Management of the Dania Beach Pier

Dear Mr. Baldwin,

Westrec Marina Management, Inc. is pleased to have the opportunity to present a proposal for the Management and Operation of the Dania Beach Pier. As the largest national marina operator in the United States, Westrec has the most extensive experience in marina and marina related operations and privatization efforts in the industry. We currently operate a portfolio of over 25 marina facilities comprising some 12,000 wet and dry slips, and thousands of square feet of retail and office space served by over 500 employees. Many of these facilities are managed under a highly successful private- public partnership similar to what we have been doing the last few years for the City's Dania Beach Marina. Westrec is poised to deliver this high level of service, professionalism, and experience to the daily operations of the Dania Beach Pier, that we bring to our countless guests at Westrec operated facilities across the United States.

For the Dania Beach Pier, Westrec proposes a Management Agreement with the City whereby Westrec would receive a fixed monthly fee for the management and staffing of the Pier and associated retail store. The goals of our proposal are to create a successful long term collaboration with the City, to provide enjoyment of the pier for all ages, whether they be tourists or those from the surrounding community, with easy access utilizing well maintained facilities that are efficiently and professionally managed. The fundamental aspects of Westrec's plan for The Dania Beach Pier will

- \* Insure that both the City's and those anglers and individuals utilizing the pier's needs are met today and in the future.
- \* Insure that the pier and adjacent City-owned Dania Beach Marina reach the utmost public usage possible.

- \* Build lasting relationships with nearby tenants and other parties in interest
- \* Protect the long term economic viability of the pier and its retail areas.
- \* Provide the City with consistent income while preserving the pier as an asset for future generations.

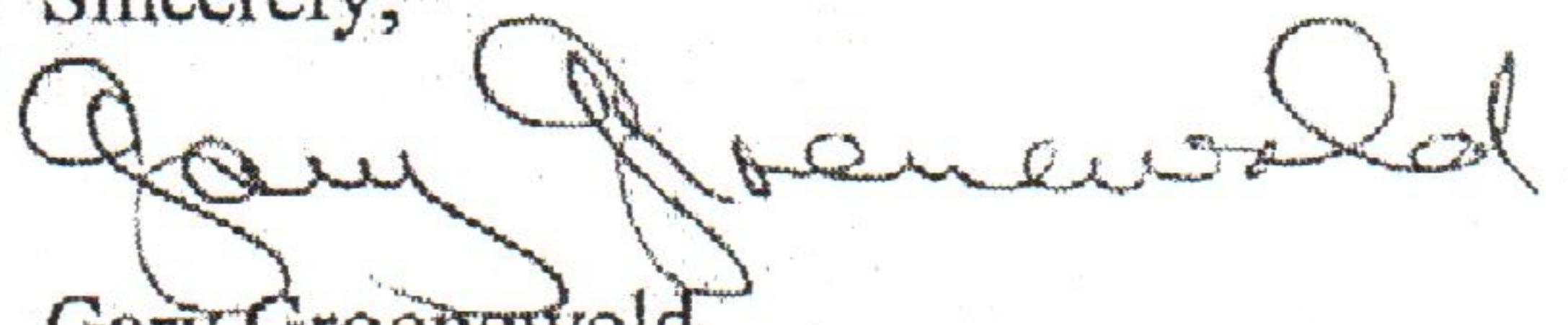
Westrec would renovate the Pier's retail and ticket office area, to improve access and provide better accountability and procedures for ticket collection and related revenue reporting to the City. These improvements would include but not be limited to the following:

- State of the art point of sale system and cash register
- Installation of security cameras at strategic locations
- Renovation of entire retail store area to include the displays and new slat wall
- Installation of new coolers and large bait freezer
- Installation of live bait wells
- Purchase and supply of new variety of inventory to appeal to anglers and beachgoers alike
- Increase of directional and aesthetically pleasing signage in keeping with the City's vision for the redevelopment of the waterfront

With our regional office located in Dania Beach, and our current management of the Dania Beach Marina on behalf of the City, Westrec is the perfect candidate to operate the Dania Beach Pier. The overall location would be further promoted by word of mouth through our regional network, in addition to utilizing the other promotional vehicles available to us, thereby increasing potential traffic to the Pier and revenue to the City. Westrec is unique in that we already have years of experience operating marinas and their associated retail stores offering products for fishing and water-related recreation in the South Florida market, serving both tourists and the local community. With our base of operations in Dania Beach, we are able to offer certain economic efficiencies in operations, staffing, and maintenance of our area Westrec managed facilities that are more cost prohibitive for our competitors.

Westrec is very interested in expanding our mutually successful business relationship by taking over the pier operations for the City. We have attached a few references from other current contracts we have with governmental entities. As in all endeavors Westrec pursues, we are dedicated to creating a successful public-private partnership which maximizes the utilization of the Pier as well as the financial performance to the City.

Sincerely,



Gary Groenewold,  
Vice President, Southern Area



# City of Fernandina Beach

OFFICE OF THE CITY MANAGER

July 18, 2013

Robert Baldwin  
City Manager  
The City of Dania Beach  
100 West Dania Beach Boulevard  
Dania Beach, Florida 33004

Dear Mr. Baldwin:

I am writing to you at the request of Gary Groenewold, Vice President of Westrec Marinas, to convey my confidence in Westrec and my knowledge of their successful operations at the City of Fernandina Beach Harbor Marina.

Fernandina Beach Harbor Marina is located on the Amelia River which leads to the IntraCoastal Waterway. Westrec entered into a lease agreement with the City on December 10, 2009 and has been operating the Marine Center, retail store and fuel dock facilities at the Marina. Since that time they have totally revamped and re-merchandised the retail location. The initial term was for 3 years.

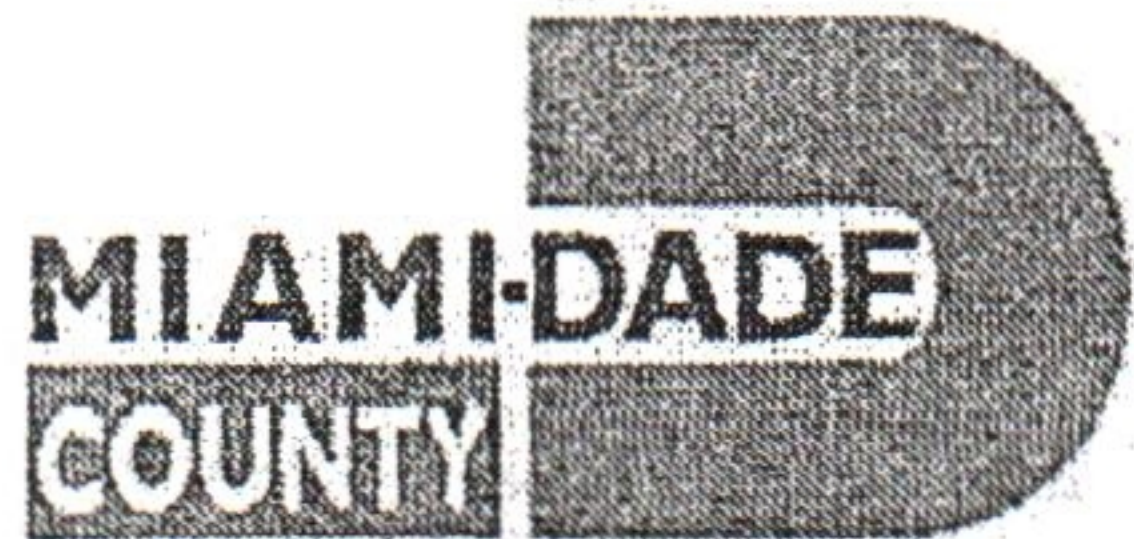
Our experience with Westrec has been a very positive one. Their professional management and maintenance of the facilities under their control as well as management of our Marina has definitely benefited the City while providing quality service and products to the boating community and public at large. On behalf of the City of Fernandina Beach, I am confident in Westrec's experience and qualifications in all aspects of the management and operations of marinas and their related businesses.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joe Gerrity".

Joe Gerrity  
City Manager





miamidade.gov

Parks, Recreation and Open Spaces  
275 NW 2nd Street  
Miami, Florida 33128  
T 305-755-7800

July 19, 2013

Robert Baldwin  
City Manager  
The City of Dania Beach  
100 West Dania Beach Boulevard  
Dania Beach, Florida 33004

RE: Westrec Marinas

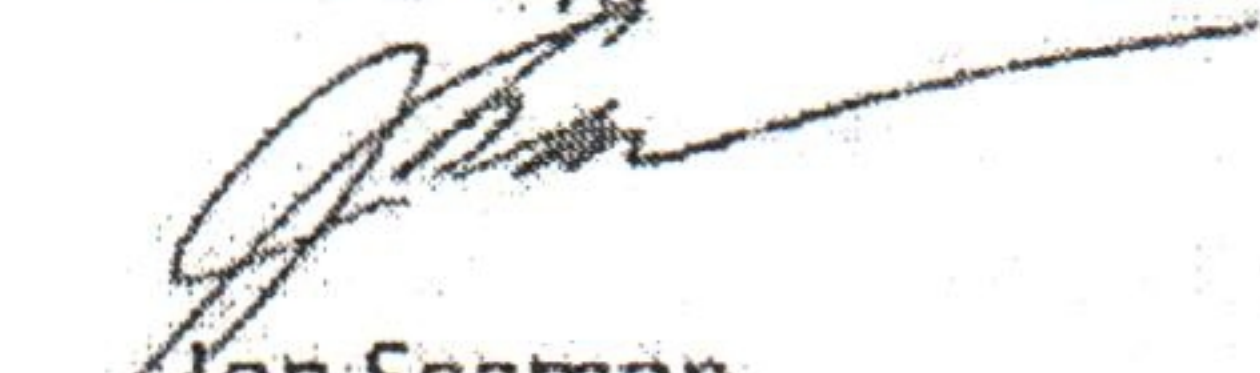
Dear, Mr. Baldwin,

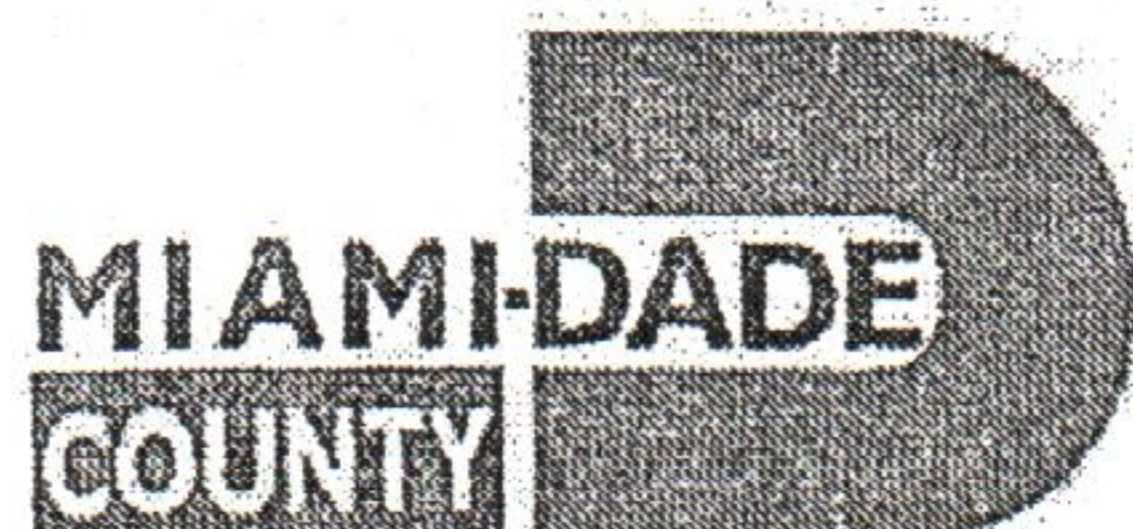
At the request of Gary Groenewold, Vice President of Westrec Marinas I am writing to you as a reference for the Westrec Marinas management of the fuel dock, boat rentals, bait and tackle and retail store operation at Crandon Park Marina in Miami-Dade County.

In 1997, Westrec began operating the fuel dock and bait and tackle facility for Miami-Dade County Parks, Recreation and Open Spaces Department under a permit agreement. In 2002 the County issued a Request For Proposals (RFP) No. 304 for the operation of the fuel dock, bait and tackle shop, retail store and boat rental operations. Westrec was selected and since December of 2004 has operated this facility.

Westrec's operation of these facilities has been lucrative for the County. Westrec's regional accounting office insures prompt payment and proper reporting to our office. We are pleased with Westrec's operations and customer service at this location. On behalf of the Miami-Dade County Parks, Recreation and Open Spaces Department, we are very extremely satisfied with Westrec's management and operation of the marine related facilities under the agreement.

Sincerely,

  
Jon Seaman  
Contract Administrator



miamidade.gov

Parks, Recreation and Open Spaces  
275 NW 2nd Street  
Miami, Florida 33128  
T 305-755-7800

July 19, 2013

Robert Baldwin  
City Manager  
The City of Dania Beach  
100 West Dania Beach Boulevard  
Dania Beach, Florida 33004

RE: Westrec Marinas

Dear Mr. Baldwin,

I am writing to you at the request of Gary Groenewold, Vice President of Westrec Marinas, to convey my confidence in Westrec and convey my knowledge of their successful operations at Miami-Dade County's Haulover Park.

At Haulover, which is located in North West Miami on the Intra Coastal Waterway, Westrec began the operation in late 1994 when the property was in receivership due to default by the previous tenants. In March of 1995, Westrec entered into a lease agreement with the County and has been operating the Marine Center, bait shop, dry storage facilities, retail store and fuel dock at two locations within the park.

In July of 2010, Westrec and the County agreed to amend the current lease in order to allow Westrec to develop a new enclosed dry storage barn nearly doubling the number of boats that can be stored in the newest of enclosed facilities. Our new agreement will extend the term by an additional 25 years.

Our experience with Westrec has been a very positive one. Their professional management and operation of the facilities under their control has definitely been a benefit to the County. The quality of their products and services benefits the boating community and the residents of Miami-Dade County alike. On behalf of the Miami-Dade Parks, Recreation and Open Spaces Department, I am confident in Westrec's experience and qualifications in all aspects of the management and operation of the marina and their related businesses.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Seaman". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Jon Seaman  
Contract Administrator

Dania Pier Management Corp.

2114 21<sup>st</sup> court

Jupiter, FL 33477

(954) 868-9600

07/15/2013

**Subject:** Pier Operation

To whom it may concern:

The following is a proposal to take over the responsibilities of the Bait and Tackle shop and its employees at the Dania fishing Pier.

We have complete knowledge of pier operations and what is needed to attract fishermen and visitors alike.

**Experience:**

Opened the new Dania Pier 1995 – 2004 (new restaurant came in)

Operated the Deerfield Pier 1997 – 2005 (redoing Pier)

Opened the new Juno Pier 2000 – Present

Opened the new Jacksonville Pier 2004 – Present

Operated Pompano Beach Pier 2008 – 2010 (redoing roads and pier)

**References:**

David Lill - Palm Beach County Director of Aquatics 561-966-6630

John Herrick – Palm Beach County Special Facilities Director 561-966-6626

Cristin Jones – Former City of Dania Beach Director of parks and recreation 954-654-5057

Judy Gerrard City of Jacksonville 904-630-5207

J&J Sports 305-557-9869

Tackle Crafters 772-545-0388

Bionic Bait 954-942-4665

**Operation:**

Dania Pier Management will take complete control and management of the Bait and Tackle shop and the employees will become the responsibility and employees of Dania Pier Management Corp., for the sum of \$120,000 per year.

Dania Pier Management will collect all entry fees to the pier, for the city of Dania Beach and will give the City 100% of those proceeds in the form of a check, each and every month along with an accounting sheet for that month.

Dania Pier Management will retain all revenue from the bait and tackle shop.

Dania Pier Management will invest in freezers, refrigeration and redo the display area as needed to give the bait and tackle shop more appeal and organization to increase the sale of merchandise which will increase the traffic flow to the pier.

Pier operating hours will be 6am to 12am 7 days a week.

Dania Pier Management would request a 3year lease with two (2) 3year options.

Dania Pier Management will do whatever it takes to give visitors to the pier an enjoyable experience that will make them want to come back again.

Through our experience we understand that how we conduct business and treat our customers is a direct reflection on the City of Dania Beach. We feel it is extremely Important, to keep a good relationship with our patrons as well as the City.

Thomas Zannucci

Dania Pier Management Corp.

**Pier Fund**

**Revenues and Expenditures**

12 months ending 9/30/2013

Account Classification	FY2013 Amended Budget	FY2013 Actuals 9/30/2013	FY2013 Actuals w/ Encumbr	Remaining Budget Balance	FY2013 % Used	FY2012 Actuals 9/30/2012
<b>Revenue</b>						
<b>Miscellaneous Revenues</b>						
Admission Fishing	165,000	<b>170,301</b>	170,301	(5,301)	103.21%	<b>180,663</b>
Admission Spectator	69,336	<b>89,023</b>	89,023	(19,687)	128.39%	<b>70,455</b>
Frozen Bait	43,080	<b>36,802</b>	36,802	6,279	85.43%	<b>45,136</b>
Gatorade & Red Bull	6,984	<b>6,033</b>	6,033	952	86.38%	<b>9,548</b>
Live Bait	-	<b>4</b>	4	(4)	0	<b>4</b>
Other/Non-Consumables	3,216	<b>1,215</b>	1,215	2,001	37.77%	<b>2,199</b>
Snacks	10,440	<b>17,426</b>	17,426	(6,986)	166.91%	<b>13,412</b>
Tackle	35,736	<b>27,513</b>	27,513	8,223	76.99%	<b>37,695</b>
Water & Soda	10,380	<b>14,534</b>	14,534	(4,154)	140.02%	<b>14,424</b>
<b>Revenue Total</b>	<b>344,172</b>	<b>362,849</b>	<b>362,849</b>	<b>(18,677)</b>	<b>105%</b>	<b>373,536</b>
<b>Expenses</b>						
<b>72 Recreation</b>						
15 Pier Operation						
Communications Services	420	<b>347</b>	347.11	72.89	83%	<b>459</b>
Contractual Services	150,000	<b>90,014</b>	90,014	59,986	60%	<b>176,026</b>
FICA	-	<b>5,528</b>	5,528	(5,528)	0%	-
Intragovernmental Transfers (	-	-	-	-	0%	<b>130,000</b>
M&E	22,100	<b>20,319</b>	20,319	1,781	92%	-
Office Supplies	1,000	<b>830</b>	830	170	83%	-
Operating Supplies	52,730	<b>52,723</b>	52,723	7	100%	<b>49,659</b>
Other Current Charges/Obliga	23,351	<b>23,292</b>	23,292	59	100%	<b>124</b>
Other Uses	-	<b>0</b>	0	(0)	0%	-
Overtime	-	<b>866</b>	866	(866)	0%	-
Printing and Binding	300	<b>283</b>	283	17	94%	-
Prof. Services	2,400	<b>1,312</b>	1,312	1,088	55%	<b>273</b>
Rentals and Leases	-	-	-	-	0%	<b>4,119</b>
Repair & Maint. Services	76,710	<b>76,586</b>	76,586	124	100%	<b>1,315</b>
Retirement Contributions	-	<b>13</b>	13	(13)	0%	-
Salaries and Wages	-	<b>71,403</b>	71,403	(71,403)	0%	-
Utility Services	16,226	<b>9,933</b>	9,933	6,293	61%	<b>11,431</b>
<b>Expenses Total</b>	<b>345,237</b>	<b>353,448</b>	<b>353,448</b>	<b>(8,211)</b>	<b>102%</b>	<b>373,406</b>

Net Surplus / (Deficit)

**9,401**

*30-30  
11*