



DATE: April 4, 2022

MEMO TO: Jessica Vealitzek, Chair
Operations Committee

FROM: Alex Eichman
Chief of Golf Operations

RECOMMENDATION: Recommend approval of Resolution awarding a contract to Club Prophet Systems, Inc., to provide point of sale support and other services outlined below for golf operations at the three District golf courses.

STRATEGIC DIRECTION SUPPORTED: Organizational Sustainability

FINANCIAL DATA: This item was funded in the amount of \$34,000.00 in the Fiscal Year 2022 Budget. The amount not to exceed \$34,000.00 will be charged to account 80864000-701400

BACKGROUND: Since February 2021, the District has contracted with Club Prophet Systems, Inc. for point of sale software, 24/7 support and other services to manage the day to day operations of the golf courses. Those services include private billing for outings and events, customer data tracking and profile management, email marketing and data collection, food and beverage operations modules, pro shop inventory control, mobile app creation and management, online reservation modules and live tee times management systems for the on-site staff. Club Prophet Systems, Inc. is the industry leader for these services in which a barter payment model is not followed, meaning tee times are not exchanged for services then resold for payment. This allows our golf courses to maintain pricing integrity ensuring that rounds of golf are not being sold for deep discounts to third-party websites to extreme discount seeking golfers.

From February 2012 to November 2020, GolfNow and EZLinks were used to provide these same services. While they did provide adequate customer service and allowed the District to operate in a similar manner, tee times were given as payment for these services. GolfNow and EZLinks “owned” two tee times (eight players) per day at each course. If sold to capacity with no discounts the annual retail value of those tee times was approximately \$111,000.00. GolfNow and EZLinks typically sold 75% of those tee times at an average discount of 65% off the retail price. This means the District received 1,500 annual rounds at extremely discounted rates.

Working with Club Prophet in 2021 allowed the District, among other benefits, to “own” those once-bartered tee times and although the cost of \$34,000.00 is new to the golf budget, the District sold 85% of those newly-owned tee times for \$90,000.00 in 2021.

REVIEW BY OTHERS: Chief Operations Officer, Director of Finance, Corporate Counsel.

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

**BOARD OF COMMISSIONERS
LAKE COUNTY FOREST PRESERVE DISTRICT
REGULAR APRIL MEETING
APRIL 12, 2022**

MISTER PRESIDENT AND MEMBERS OF THE BOARD OF COMMISSIONERS:

Your **OPERATIONS COMMITTEE** presents herewith “A Resolution Awarding a Contract to Club Prophet Systems, Inc. for Point of Sale Software and Support,” and requests its approval.

OPERATIONS COMMITTEE:

Date: _____ Roll Call Vote: Ayes: _____ Nays: _____
 Voice Vote Majority Ayes; Nays: _____

**LAKE COUNTY FOREST PRESERVE DISTRICT
LAKE COUNTY, ILLINOIS**

A RESOLUTION AWARDING A CONTRACT TO CLUB PROPHET SYSTEMS, INC. FOR POINT OF SALE SOFTWARE AND SUPPORT

WHEREAS, the Lake County Forest Preserve District (the "District") desires to purchase point of sale software, 24/7 support, and other services to manage the day-to-day operations of the District's golf courses (the "Services"); and

WHEREAS, the Chief of Golf Operations and the Purchasing Manager have determined that the Services require personal confidence; and

WHEREAS, the Chief of Golf Operations has solicited a proposal from Club Prophet Systems, Inc. for the Services; and

WHEREAS, District staff, Purchasing Manager, Chief of Golf Operations, and Operations Committee have reviewed the proposal and recommend that the Board of Commissioners (i) finds that the proposal submitted by Club Prophet System, Inc. is the proposal that is most advantageous to the District; and (ii) awards a contract for the Services to Club Prophet System, Inc. (the "Contract") in the amount of \$34,000.00 (the "Contract Price"); and

WHEREAS, the Board of Commissioners hereby finds that the proposal for the Services submitted by Club Prophet System, Inc. is the proposal that is most advantageous to the District; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Lake County Forest Preserve District, Lake County, Illinois THAT:

Section 1. Recitals. The recitals set forth above are incorporated as a part of this Resolution by this reference.

Section 2. Award of Contract. The Contract in the amount of the Contract Price in substantially the form attached hereto is hereby awarded to Club Prophet System, Inc.

Section 3. Execution of Contract. The Executive Director of the District is hereby authorized and directed to execute the Contract for the Services in the amount of the Contract Price.

Section 4. Payments. The District Treasurer shall make payments under the Contract only pursuant to and in accordance with the Contract terms.

Section 5. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this _____ day of _____, 2022
AYES:
NAYS:
APPROVED this _____ day of _____, 2022

Angelo D. Kyle, President
Lake County Forest Preserve District

ATTEST:

Julie Gagnani, Secretary
Lake County Forest Preserve District

Exhibit No. _____



MONTHLY SERVICE FEE AGREEMENT

I, Alex Eichman, acting on behalf of Lake County Forest Preserve, herein referred to as Customer, hereby accept this proposal provided to me by Club Prophet, Inc., and herein referred to as Company.

The following sections are in place to outline the key items that will help, both Customer and Company, ensure a smooth implementation.

TERMS OF SALE

1. In order for Company to reserve installation and training dates, the undersigned agrees to execute and return this Acceptance of Proposal along with payment/deposit for the hardware and first month service agreement in the amount of \$ 2666
2. ****Monthly payments of \$ 2666** will then be due starting the second month of Customer's usage and will be auto-drafted from Customer's checking account.
3. The monthly payments will remain constant for two years as long as Customer continues to use Company's POS software solution.
 - a. Any additional software modules will have an additional monthly service fee.
 - b. Software customizations will be considered on a case by case basis and will be an additional fee.
 - c. ****After two years, Company reserves the right to raise the monthly software fee. That increase will be limited to 2% each year.**
4. Monthly Service Fee includes:
 - a. The right to install and use the number of SAAS licenses for the Company Modules licensed.
 - b. Unlimited technical support on business days from 8:00am to 7:00pm eastern time.
 - c. Emergency support when the support office is closed with typical response within 15 minutes.
 - d. Customer retains ownership of the data collected with Company's products.
5. Either party may terminate this agreement with 30 days written notice without cause.

Initial

CUSTOMER RESPONSIBILITIES

1. Customer agrees to assign a Project Manager responsible for the coordination of the installation, compiling of data, and training under this agreement.
2. Customer has reviewed Company's Hardware Minimum Requirements (Exhibit B) and acknowledges that all PCs and peripheral hardware meet Company's Hardware Minimum Requirements.
3. Customer acknowledges that Club Prophet offers specific PCI Organization - PA-DSS Validated credit card integrations. A PA-DSS Validated payment application is a core requirement for a Customer to establish a PCI-Compliant environment for processing credit cards. Options vary by country and these validations may dictate hardware requirements and compatible processing platforms. Additional integration fees may apply. Company has elected to use **PayRoc** for their credit card integration. **Limitation of Liability with Credit Card Interface:** The merchant/customer is responsible for reconciling all credit card transactions with CPS reporting and merchant's bank deposits. CPS will not be responsible or liable for any discrepancies that were not reported to CPS within 10 business days of the transaction or any discrepancies that were caused by the lack of merchant reconciliation between CPS, the Terminal, and the merchant's bank deposit.
4. Customer will be responsible for hiring a qualified network company to install, set up, and cable the necessary networking components of computers. This work is to include cabling, network configuration, hubs/switches, computer installation, monitor and printer set up, and all other standard "off the shelf" peripherals. Company will not support our software on generic, home-built PCs or on networks that do not meet the specifications listed in Exhibit B.



MONTHLY SERVICE FEE AGREEMENT

If Customer is not purchasing computers from Company, Customer must purchase only industry-standard, brand-name PCs that meet the specifications listed in Exhibit B. Under no circumstances will Company be responsible for any network problems or reimburse Customer for any fees incurred by or from outside software/hardware vendors, or Internet Service Providers.

All hardware warranty issues that arise from the purchase of any hardware from Company will fall under the manufacturer's original warranty.

Initial

TRAINING

1. Initial training includes specified days (8/hr day) of onsite training per the Training, Installation and Setup section in the quote above.

Note: Any training over the allotted hours stated in the agreement may result in a \$50/per hour fee.

2. Additional on-site and/or remote training can be scheduled through Company's sales office and is available at a daily rate of \$800 plus expenses for on-site training or \$100 per hour for remote training.
3. All pass-through expenses for travel, shipping, tax, etc., (See Exhibit A) that are associated with the cost of training and installation, will be billed upon the completion of said training and installation and will be due within ten (10) days of the invoice date.
4. Standard Training is included. However Premium Training / Travel Applies as follows:
 - a. IF the training dates require the trainer to Travel on a weekend or holiday, (i.e., must travel Sunday to start training Monday morning) then there is \$125.00/day charge for weekend travel.
 - b. IF Training is required on a weekend or holiday (i.e., Saturday training), there is a \$250.00/day charge for weekend training.

Initial

CONFIDENTIAL INFORMATION

The Customer acknowledges that Company may use products, materials, or methodologies proprietary to Company. The Customer agrees that Company's provision of services under this Agreement shall not be grounds for the Customer to have or obtain any rights in such proprietary products, materials, or methodologies unless the parties have executed a separate written agreement with respect thereto.

Company, for itself and its officers, agents and employees, agrees that it shall treat all information provided to it by the Customer ("Customer Information") as confidential and shall not disclose any such information to a third party without the prior written approval of the Customer.



MONTHLY SERVICE FEE AGREEMENT

WARRANTIES AND REMEDIES

COMPANY EXPRESSLY DISCLAIMS ANY WARRANTY. THE SOFTWARE IS PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE ENTIRE RISK ARISING OUT OF USE OR PERFORMANCE OF THE SOFTWARE IS AND REMAINS WITH CUSTOMER. THIS LIMITED WARRANTY GIVES CUSTOMER SPECIFIC LEGAL RIGHTS. CUSTOMER MAY HAVE OTHERS WHICH VARY FROM STATE TO STATE.

COMPANY'S ENTIRE LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDY UNDER THIS AGREEMENT SHALL BE THE AMOUNT OF THE CUSTOMER'S CURRENT MONTH SERVICE FEE. EXCEPT AS STATED IN THE PRECEDING SENTENCE, IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, GENERAL, COMPENSATORY, CONSEQUENTIAL AND/OR INCIDENTAL DAMAGES, DAMAGES FOR LOSS OF BUSINESS PROFIT, BUSINESS INTERRUPTION, LOSS OF INFORMATION, OR ANY OTHER LOSS) ARISING OUT OF THE USE OR INABILITY TO USE THE SOFTWARE, EVEN IF COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BECAUSE SOME STATES/JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES IN CERTAIN CASES, THE ABOVE LIMITATION MAY NOT APPLY TO CUSTOMER.

ACCEPTANCE OF PROPOSAL

By initialing above and signing below, I imply my understanding and acceptance of each point set forth by Company.

Customer Signature

Date:

Print name

Consultant Disclosure Statement

Each **Consultant** (bold/italicized words are defined in Section II below) proposing to perform **Covered Services** for the Lake County Forest Preserve District (the "District") is required, by the District's Purchasing Policy, to complete this form and make disclosures (i) on its behalf, unless it is a **Publicly Traded Consultant**, (ii) on behalf of its **Disclosure-Covered Owners**, unless it is a **Publicly Traded Consultant**, and (iii) on behalf of its **Disclosure-Covered Employees**, even if it is a **Publicly Traded Consultant**. If **Consultant** is a **Publicly Traded Consultant**, please complete Sections I, III, and V. If **Consultant** is not a **Publicly Traded Consultant**, please complete Sections I, IV, and V.

I. Identification of Consultant and Related Parties:

Consultant Name:	Club Prophet Systems
Consultant Address:	701 Russellton Rd., Cheswick, PA 15024
Person Certifying Statement for Consultant , including Phone # and Email Address:	Rich Mottura Regional Sales Director Western U.S. / Canada / Caribbean e. rich.mottura@cps.golf p. 800-793-1872, ext 7032 c. 412-346-8462
Covered Services:	Full Solution Point of Sale Service for ThunderHawk, Countryside, and Brae Loch Golf Properties
Names of Disclosure Covered Owners (if none, please insert "N/A"):	N/A
Names of Disclosure Covered Employees (if none, please insert "N/A"):	N/A

II. Defined Terms:

a) "**Campaign Contribution**" is defined in Section 9-1.4 of the Illinois Election Code, 10 ILCS 5/9-1.4. b)

"**Candidate Political Committee**" is defined in Section 9-1.8(b) of the Illinois Election Code, 10 ILCS 5/9-1.8(b).

c) "**Consultant**" is a person or entity that submits a proposal to enter into a contract with the District, or a proposal for a change order to such a contract, that calls for the person or entity to perform **Covered Services** for the District.

- d) **“Covered Services”** are the “Covered Services” identified above by District staff, which have an expected price greater than \$25,000.00, taking into account the original contract price for the **Covered Services** plus the prices of all change orders to such original contract.
- e) **“Disclosure-Covered Owner”** is (i) a natural person who is a **Consultant** or (ii) a person or entity that, directly or indirectly (including without limitation ownership through a corporation, limited liability company, joint venture, or partnership) owns at least 7.5% of a **Consultant** that is not a **Publicly Traded Consultant**.
- f) **“Disclosure-Covered Employee”** is (i) a natural person who is a **Consultant** or (ii) a Consultant employee or independent contractor who will receive a direct financial benefit (including without limitation a commission, bonus, or salary increase) if the District awards the proposed contract or change order to the **Consultant**.
- g) **“Family Member”** is a person related as a parent; child; sibling; uncle or aunt; great aunt or great uncle; first cousin; nephew or niece; spouse or civil union partner; grandparent; grandchild; parent-in-law, child-in-law, sibling-in-law, or grandparent-in-law, whether that in-law relationship is created by marriage or civil union; stepparent; stepchild; stepsibling; half sibling; and fiancé or fiancée.
- h) **“Publicly Traded Consultant”** is a **Consultant** whose common stock is traded on a nationally recognized securities market.

III. Required Disclosures for Publicly Traded Consultant:

- a) **Securities Market:** Please identify the nationally recognized securities market on which **Consultant’s** common stock is traded and identify the stock “ticker” symbol under which the **Consultant** is traded:
Exchange: N/A _____; Symbol: N/A _____.
- b) **Campaign Contribution Disclosure:** Please disclose each **Campaign Contribution** made by your **Disclosure Covered Employees** to the following persons/entities within the two (2) years preceding the date on which the **Consultant’s** proposal for **Covered Services** was submitted to the District:
 - i. a Lake County Board member in his or her capacity as either a County Board member, a District Commissioner, or both; or
 - ii. a **Candidate Political Committee** of a Lake County Board member.

Donor/ Disclosure-Covered Employee	Recipient of Donation	Donation Type (e.g., cash, in-kind service,)	Amount of Donation	Date of Donation
N/A				

- c) **Familial Relationship Disclosure:** Please disclose each **Family Member** of your **Disclosure-Covered Employees** who is either a District Commissioner or employed by the District as an Executive Director, Chief Operations Officer, Department Director, or Manager.

Name of Family Member	Family Member's Position with District	Name of Disclosure-Covered Employee Related to Family Member	Relationship of Disclosure Covered Employee to Family Member
N/A			

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IV. Required Disclosures for Consultants that are Not Publicly Traded Consultants:

a) **Campaign Contribution Disclosure:** Please disclose each **Campaign Contribution** made by your **Disclosure Covered Owners** or **Disclosure-Covered Employees** to the following persons/entities within the two (2) years preceding the date on which the **Consultant's** proposal for **Covered Services** was submitted:

- i. a Lake County Board member in his or her capacity as either a County Board member, a District Commissioner, or both; or
- ii. a **Candidate Political Committee** of a Lake County Board member.

Donor/ Disclosure-Covered Owner or Disclosure-Covered Employee	Recipient	Description (cash, item, in-kind service, etc.)	Amount/ Value	Date Made
N/A				

b) **Familial Relationship Disclosure:** Please disclose each **Family Member** of a **Disclosure-Covered Owner** or **Disclosure-Covered Employee** who is either a District Commissioner or employed by the District as an Executive Director, Chief Operations Officer, Department Director, or Manager.

Name of Family Member	Family Member's Position with District	Name of Disclosure-Covered Owner or Disclosure Covered Employee Related to Family Member	Relationship of Disclosure Covered Owner or Disclosure Covered Employee to Family Member
N/A			

V. Consultant Certification and Signature:

By signing below, I certify that (i) I am authorized to make the disclosures above on behalf of **Consultant, Consultant's Disclosure-Covered Owners, and Consultant's Disclosure-Covered Employees**, (ii) I have read and understand this Consultant Disclosure Statement, (iii) the above disclosures are accurate and complete, to the best of my knowledge after making reasonable inquiry, and (iv) my signature below, if electronic, is intended to authenticate this writing and to have the same force and effect as a manual signature.

Rich Meltura

3/11/2022

Name

Date