

**CITY OF POCA TELLO
PARKS & RECREATION DEPARTMENT**

REQUEST FOR PROPOSAL

GOLF COURSE CONCESSIONAIRE



JUNE 23, 2010

Request for Proposals

Municipal Golf Course Concessionaire

1.0 INTRODUCTION.

- 1.1 The City of Pocatello Parks & Recreation Department is requesting proposals for the management, operation and maintenance of the two municipal golf courses, Highland and Riverside, under the terms and conditions of a concession agreement. The term of this agreement will be January 1, 2011 through December 31, 2015, with a renewable option of an additional five years.

The City is seeking submittals that include a business plan for managing golf operations; addressing all maintenance needs as well as possible capital improvements; excelling at quality customer service; marketing the golf facilities; employing and supervising all staff and most importantly, implementing strategies to ensure the long term success of the two golf courses.

The City anticipates that through this agreement the golf courses will feature excellent play conditions and continue to be operated as accessible, affordable, user-friendly public golf facilities for players of all ages and skill levels in the tradition of municipal golf courses.

Respondents to this Request for Proposals (RFP) must demonstrate experience in the management, operation and maintenance of golf courses, as well as sufficient financial sustainability to operate and maintain the golf courses during the term of the lease.

1.2 COURSES

- A. Riverside Golf Course, which opened in 1955, features 6,357 yards from the back tees. The par 72 layout has a course rating of 69.7 and a slope rating of 114.
- B. Highland Golf Course is an 18-hole, par 72 course designed by George Von Elm and opened in 1962. The 6,512 yard layout from the back tees has a course rating of 69.8 and a slope rating of 117.
- C. Both courses include a pro shop with food concessions, maintenance shop (shop at Riverside new in 2008), driving range, chipping and putting greens. Riverside has a small indoor building for cart storage. Highland has outdoor storage.
- D. A Master Plan for improvements for each course was completed by Garrett Gill Design in 2008. Recent capital improvements, based on these plans, include renovation of existing tees and addition of new tees on Highland front nine in the fall of 2008 and Riverside front nine in the fall of 2009. It is anticipated that renovation and addition of tees on Highland back nine will be completed in fall of 2010.

2.0 **REQUEST FOR PROPOSAL**

2.1 **SUBMITTAL**

All proposals must be received no later than 5:00 p.m., Friday, July 30, 2010. Any proposals received after that time and date will not be considered and will be returned unopened. Responders are requested to submit eight (8) copies of their completed proposal in a sealed envelope marked "Proposal—Golf Course Concessionaire." Proposals must be mailed or delivered to:

City of Pocatello
City Clerk
PO Box 4169
Pocatello, ID 83205-4169

City of Pocatello
City Clerk
911 North 7th Ave.
Pocatello, ID 83201

Questions relating to the submittal requirements in this Request for Proposal are to be directed to: Jerry Sepich, Parks & Recreation Director, email: jsepich@pocatello.us or telephone: (208) 234-6236.

2.2 **PROPOSAL FORMAT**

Proposal must include the following:

- I. **COVER LETTER**—Signed and dated by the person or authorized representative of the individual, firm and/or partnership submitting the proposal.
- II. **QUALIFICATIONS**—Proposers must provide detailed information regarding the expertise, experience and ability to manage, operate, maintain and renovate a golf course. Information must identify and include resumes of key individuals involved and outlining their capabilities, experience and skills. Such individuals would include corporate officers, golf manager, golf professionals and golf course superintendent. A successful bidder must be qualified to do business in the State of Idaho.
- III. **EXPERIENCE**—Provide information regarding proposer's experience with similar golf course management, operation and maintenance work, the length of time performing such work, and responsibilities identified in the attached concession agreement. Proposers should include a list of all golf facilities managed/leased in the last five (5) years. Include the facility name, type (municipal, daily fee, private, etc.) and location of the facility and the length and current status. Include a minimum of one year financial statement from each of the facilities operated or managed.
- IV. **FINANCIAL CAPABILITY/RESOURCES**
 - A. Proposer should have a demonstrated record of financial capacity and sustainability commensurate with the obligations contemplated. Proposal must include three years of financial statements prepared in accordance with Generally Accepted Accounting Principles documenting this financial capacity. Supporting documentations of their financial net worth, including but not limited to certified financial statements; balance sheets, which include both liquid and non-liquid assets; net operating income statements; tax returns for the past three (3) years. Proposers should identify the intended source of all funds proposed to be invested in the operation. If this information is proprietary, it must be identified as such and marked accordingly in the response to the proposal.

- B. Proposer must identify ownership and/or the availability of equipment to meet the requirements of the proposed concession agreement. This would include all necessary maintenance equipment and also equipment necessary to operate a food and drink concession. Most of the above noted equipment is currently owned by the current concessionaire, not the City of Pocatello. In addition, the proposer must have the ability to secure a beer license from the State of Idaho.
- V. PROPOSAL APPROACH—Provide a narrative which identifies fee, operational plans, policies and procedures related to the management and maintenance of the two municipal golf courses. Specifically this narrative must address, but is not limited to, the following:
- Proposed golf fee schedule
 - Tee time reservations, course marshaling
 - Marketing/promotional plans
 - Soliciting and facilitating tournaments, league plan and other events
 - Play development programs, including junior and other programs
 - Pro shop operations, merchandising, cart rental, lessons
 - Managing and overseeing of golf course security
 - Food and beverage operation including proposed menu
 - Course maintenance practices, specifically addressing any changes to attached maintenance schedule (Attachment B).
 - Pro shop and maintenance crew staffing levels

In addition, proposal should include a minimum of three (3) year financial business plan, including revenue and operational expenditures. This narrative is the proposer’s opportunity to explain what is unique regarding their proposal and why the City of Pocatello should select them as the future golf course concessionaire.

- VI. PAYMENTS—The concession agreement will include the following payments to the City:
- A. Base payment for each of the five (5) years of the contract.
 - B. Percentage amount of all gross revenue from both courses in excess of \$600,000.00. Gross Revenues for this purpose shall be defined as all revenue including green fees, annual pass sales, tournament/event fees, pro shop revenue (merchandise, range, lessons), food and beverage sales, golf cart rental/storage fee, cart trail fees.
 - C. Percentage amount of fee revenues in excess of \$1,000,000.00. Fee Revenues for this purpose shall be defined as all above gross revenue items except items that do not have a significant cost of goods sold, such as food and beverage and pro shop merchandise.
 - D. Payment of water usage at both golf courses. (See Proposed Concession Agreement—Section 12) (Attachment A).

Proposal must also include the following proposed fees:

- E. Base payment for each of the five years of the agreement. Minimum must be \$100,000 or greater each year.
- F. Percentage of “gross revenue” over \$600,000. Minimum 2%
- G. Percentage of “fee revenue” over \$1,000,000. Minimum 8%. *Proposed fees should be submitted on attached form (Attachment C).

VII. REFERENCES

Provide a list of five (5) recent professional references that can attest to the proposer's experience and qualifications in the management and operation of golf courses. Include name of reference entity, a description of the nature of the references experience with the proposer; the name, title, address and telephone number(s) of a contact person.

3.0 SELECTION PROCESS

3.1 SELECTION COMMITTEE

The Selection Committee may include the following: City Council member, Park & Recreation Director, other City Department Heads, Parks Superintendent, two members of the Golf Advisory Board and one citizen at large.

3.2 SELECTION CRITERIA

The selection committee will evaluate the proposals submitted and rank each proposal according to the following established criteria and respective assigned value below:

I.	Qualifications	20
II.	Experience	20
III.	Financial Capability/Resources	20
IV.	Proposal approach	30
V.	Fees	10
	Total	100

3.3 SELECTION

Based on this evaluation, ranking and reference checks, the City will select two or more individuals, firms and/or partnerships to conduct oral interviews. The selection committee further reserves the right to not make a selection or to amend the score of the agreement should either action be in the best interest of the City of Pocatello.

3.4 NEGOTIATION PROCESS/AGREEMENT

Upon finalization of the selection process and verbal and written notification of the highest ranked individual, firm and/or partnership, members of the selection committee will set up a meeting between the parties to further discuss and negotiate a fair and amiable concession agreement. If such an agreement cannot be reached, negotiations will be terminated and negotiations will begin with the next highest ranked individual, firm and/or partnership.

4.0 TIME SCHEDULE

The following is the time schedule for selecting a golf course concessionaire:

1.	Request for Proposal release date	June 23, 2010
2.	Deadline for submitting questions	July 20, 2010
3.	Proposals Due	July 30, 2010
4.	Preliminary Selection Completed	August 27, 2010
5.	Final Selection Completed	September 1, 2010
6.	Contract approval by City Council	October 7, 2010*

*Subject to change based upon negotiations

5.0 OTHER INFORMATION

5.1 Any questions or requests for additional information regarding this Request for Proposal should be directed in writing to:

Jerry Sepich
Parks & Recreation Director
PO Box 4169
Pocatello, ID 83205
(208) 234-6236
jsepich@pocatello.us

5.2 Proposers are strongly encouraged to arrange for site visits to the golf courses. Such visits can be arranged by contacting Jerry Sepich, Parks & Recreation Director.

5.3 Any necessary addenda to this RFP by the City shall be the only authorized method for communicating and clarifying information to all potential proposers. All questions and/or requests for additional addenda are due no later than July 20, 2010. Proposers should contact Jerry Sepich, Parks & Recreation Director before submitting a proposal to verify that any and all addendum issued has been received. Proposers shall acknowledge the receipt of any addenda in the proposal submission.

ATTACHMENTS

- A. Sample Proposed Concession Agreement (Agreement is subject to negotiation prior to development of final agreement.)
- B. Maintenance Standards
- C. Payment to City Form
- D. 2009-2010 Golf Fees
- E. Score Cards—Highland & Riverside
- F. Master Plan Summaries—Highland & Riverside
- G. Inventory of City-Owned Equipment
- H. Last Five (5) Year Report: Number of Rounds, Number of Memberships, Payments to City
- I. Water Consumption Information