Monday February 14, 2011 City Council Meeting

To: Honorable Mayor and City Council

From: Dennis J. Bowyer, Parks & Recreation Director

Request:
Review of the proposed request for proposals (RFP) for golf professional and/or management services at the Twin Falls Golf Club.

Time Estimate:
Staff presentation will take approximately 5 minutes. Following the presentation we expect some time for questions and answers.

Background:
The Twin Falls Golf Club has been operated by Mike Hamblin under a professional service agreement. The most recent agreement was signed October 2009.

Mike Hamblin was hired for the golf pro position at the Blue Lake County Club starting February 1, 2011. Mike Hamblin has agreed to continue to assist with the golf course management during the transition time until the City is able to negotiate a new professional service agreement with the successful proposer.

This RFP is similar to the one that the City developed and used 2½ years ago. The proposed RPF has been modified by City's staff along with contributions from members of the Golf Advisory Commission. City staff is interested in receiving proposals that will allow for the maximization of this community asset and accompanying assets; which include a restaurant, full alcoholic beverage license, club house, driving range, practice putting green and other assets/facilities.

From the RFP process, the City expects to:

- Keep costs affordable so all the public has the opportunity to play, free of charge access to the putting and chipping greens;
- Continue to provide support to young players and offer junior discounts, including high school golf and junior golf programs;
- Reduce fees for City employees;
- Limit the use of tax dollars to offset operational costs, and;
- Maintain the high quality of the course.

A tentative schedule has been established with the anticipated first day of the agreement being no later than June 1, 2011.

- February 17, 2011 — City to advertise in local newspaper and the regional PGA employment center.
- March 17, 2011 — Completed RFP must be submitted to the City on this date for its review, no later than 5:00 PM
- Week of March 21, 2011 — City to review proposals supplied by interested persons/parties.
- Week of March 28, 2011 — City's selection committee to conduct interviews of selected proposers, *if necessary.*
- April 11, 2011 — Rank list of qualified candidates/firms presented to City Council for its review.
- April 12, 2011 — City to commence contractual negotiation with successful proposer.
- May 1, 2011 — City staff and selection committee to present negotiated contract to City Council for review, discussion, and consideration.
- *On or before* June 1, 2011 — Anticipated first day of contract

At the February meeting of the Golf Advisory Commission, the Commission unanimously recommended to the City Council to approve the proposed RFP and to start advertising.

Approval Process:
City Code does not contain a defined process for the City to seek management of the golf course. City staff believes the process that was developed 2½ years ago worked successfully and suggests that the City Council approve this process again.

Budget Impact:
There will be minor costs incurred to advertise in the local paper.

Regulatory Impact:
None

Conclusion:
Staff recommends that the City Council authorize staff to proceed with the RFP process described above for golf professional and/or management services at the Twin Falls Golf Club.

Attachments:
Proposed request for proposals packet

A REQUEST FOR PROPOSALS
OPERATIONS OF THE TWIN FALLS GOLF CLUB

FEBRUARY 14, 2011

CITY OF TWIN FALLS
PARKS & RECREATION DEPARTMENT

321 Second Avenue East – P.O. Box 1907
Twin Falls, Idaho 83303-1907

Request for Proposals
Management/Operation of the Twin Falls Golf Club
City of Twin Falls, Idaho

Pursuant to the Idaho Code, the City of Twin Falls (the "City") is authorized to invite proposals from private companies, firms or any persons interested in undertaking the management and operations, or any part thereof, of the Twin Falls Golf Club.

The City hereby serves notice that, for a period of four weeks from the date of publication of this request, it is inviting proposals from private companies, firms or other interested parties. All proposals must be received by the City no later than **Thursday, March 17, 2011 close of business (5:00 p.m.)** local prevailing time.

The City will only consider proposals that have been completed in accordance with the developed RFP, clearly demonstrate the proposer's financial and legal ability to carry out said proposal and which further meets the City's restrictions and requirements. The City may accept such proposal or proposals as it deems in the public interest, may reject all proposals, or may further negotiate for such proposal or proposals as may be acceptable in the public interest.

For additional information, interested persons may contact:

Parks and Recreation Department
City of Twin Falls
Mr. Dennis J. Bowyer, Director
P.O. Box 1907
Twin Falls, Idaho 83303-1907
(208) 736-2265

Publish: Thursday, February 17, 2011

City of Twin Falls

Request for Proposals
Management of the Twin Falls Golf Club

Proposed Schedule

A schedule has been provided in an effort to inform prospective proposers with information about the process. Throughout the selection process, the City may be required to make adjustment to the timeline outlined below. Should this occur, addendums will be provided by the city.

February 17, 2011	City to Advertise in Local Newspaper and the regional PGA Employment Center
March 14, 2011	Completed RFP must be submitted to the City on this date for its review, no later than 5:00 PM
week of March 21, 2011	City to Review Proposals Supplied by Interested Persons/Parties
week of March 28, 2011	City's Selection Committee to Conduct Interviews of Selected Proposers, *if necessary*
April 11, 2011	Rank list of qualified candidates/firms presented to City Council for its review
April 12, 2011	City to Commence Contractual negotiation with Successful Proposer
May 1, 2011	City Staff and Selection Committee to present Negotiated Contract to City Council for Review, Discussion and Consideration
On or before June 1, 2011	Anticipated first day of contract

CITY OF TWIN FALLS

Request for Proposals (RFP)
Management of the Twin Falls Golf Club

A. PURPOSE

The purpose of this Request for Proposal (RFP) is to determine the private sector interest in a lease agreement for the management of the Twin Falls Golf Club. The City is interested in receiving proposals that will allow for the maximization of this community asset and accompanying assets; which include restaurant, full alcoholic beverage license, club house, driving range, practice putting green, etc.

The City may reject any or all proposals submitted in response to the RFP. The City shall not be liable for any costs incurred in connection with preparation and submittal of any proposal. The failure to address the standards outlined in the request for proposal forms will render the proposal non-responsive.

In the event the City accepts the proposal, a lease agreement may be awarded to the proposer who has submitted the proposal deemed to be in the best interest of the City. Selection of the highest rated, responsive proposal will be made on the basis of the criteria set forth in this RFP. The City reserves the right to negotiate the final terms of the Agreement with one or more of the highest rated, responsive proposers.

B. COURSE ASSETS AND CITY EXPECTATIONS

Some of the Twin Falls Golf Club's assets are:

- 2,100 sq ft clubhouse with restaurant, pro shop, full alcoholic beverage license, banquet facility for 200 people.
- Community support. In the 2007 City-wide satisfaction survey, 90% of the respondents rated the course as either excellent or good performance rating.

From the RFP process, the City expects to:

- Keep costs affordable so all the public has the opportunity to play, free of charge access to the putting and chipping greens;
- Continue to provide support to young players and offer junior discounts, including high school golf and junior golf programs;
- Reduced fees for City employees;
- Limit the use of tax dollars to offset operational costs, and;
- Maintain the high quality of the course.

C. BACKGROUND

Twin Falls Golf Club sits on 116 acres and is located on the west side of Twin Falls, adjacent to Rock Creek Canyon. The course was originally constructed in 1931 as a 9-hole golf course. Today, the Twin Falls Golf Club is an 18-hole golf course, with non-lighted driving range, putting green, chipping area, clubhouse with pro shop and restaurant, two (2) cart storage facilities, parking lot, and a maintenance shop. Currently, the City of Twin Falls has a cart rental facilities that can house 44 individually owned carts and can be rented by course patrons and all revenues collected are remitted to the City "**EXHIBIT A**," illustrates the course's configuration and layout.

For men, the course is a 5374 yard, par 68, with a rating of 64.1 and a slope of 104. For women, it is 5002 yard, par 71, with a rating of 68.9 and a slope of 113. Golf facilities include a clubhouse with restaurant and pro shop.

At the present time there is a single concessionaire under contract to the City for the operation of the Golf Club. The maintenance of the course is being managed by City personnel. The Twin Falls Golf Club has operated under a lease agreement since 1998. Prior to 1998, the City's golf course was managed directly by the City.

D. MINIMUM QUALIFICATIONS

In order to be in consideration in the award of the lease for the subject, facility, a proposer must:

1. Have a minimum of five years of total management and operations of a golf course, preferably one that is public in scope.

2. Proposers shall have sufficient knowledge of:
    - golf course operations and management; clubhouse and pro shop operations, including driving range, golf carts, and restaurant
    - general knowledge of course maintenance

3. Possess a credit line to operate the golf course facility, including the restaurant and clubhouse, and equip the City's golf course with a minimum of fifty (50) powered carts (gas or electric acceptable), five (5) pull-carts, and eight (8) sets of rental golf clubs of varying sizes.

4. Possess a competent record of employment or history of contract service in operation of a similar golf facility.

5. In the event that a corporation is proposing to operate the course, the corporation must verify the individual that will be employed as the "manager" will meet or exceed the above-listed qualification.

E. MINIMUM OPERATING STANDARDS

The proposer will be required to provide a level of operation and service at least equal to other Magic Valley courses, public or private. The successful proposer shall operate and keep the golf course facilities open to the public on a daily basis, weather permitting.

F. FEE SCHEDULE

Illustrated below is the fee schedule for the 2011 Golf Season. All applicable taxes are assessed and are a part of the fee table listed below. Typically, fees for the upcoming season are evaluated in **November.**

A longstanding goal of the City is to create affordable recreational programs for its residents. The City believes there is a direct correlation to the rates assessed and the amount of play that occurs at the Twin Falls Golf Club. The successful proposer will have the opportunity to recommend fee adjustments to the City's Golf Advisory Commission. The Commission's recommendation will be forwarded to the City Council for consideration, which will retain the authority to modify any and all assessed fees and rates. The Consumer Price Index – All Urban Consumers (CPI-U) will be used as a guide when considering fee increases.

Green Fees

Monday-Friday (seniors)	18 Holes	$15.00
Monday-Friday (adults)	18 Holes	$20.00
Weekends & Holidays	18 Holes	$23.00
Juniors	18 Holes	$10.00

Season Passes

Adults*	$475.00
Seniors (62 years & older)	$410.00
Couples*	$695.00
Senior Couples	$630.00
Full Time College Students	$300.00
Juniors	$155.00
Non-Resident Fee	$ 33.50
Lockers	$ 40.00

*Add on per child 17 years and younger $66.50

Punch Cards

10 Rounds	$150.00

FINANCIAL INFORMATION

Financial information for the past eight fiscal years (October 1 to September 30) is attached hereto and labeled as "**EXHIBIT C**." Additional information may be obtained by contacting Mr. Dennis Bowyer, Parks and Recreation Director (information provided in Paragraph K of this RFP).

G. LEASE AGREEMENT

The City shall negotiate an Agreement with the selected proposer. Due to the substantial investment of funds, the City anticipates the proposer's need for a long-term lease arrangement. The City is proposing an initial term of the Agreement not less than five (5) years. The final term of the Lease Agreement will be negotiated based on the amount of investment made by the proposer, and the length of time required to amortize capital funds and receive a fair return on the investment.

At a minimum, the Agreement shall include:

1. The initial fee shall be negotiated. The initial negotiated fee will remain in effect until an adjustment has been successfully negotiated. No adjustment to the Base-Bid prices shall occur before April 1, 2012.

2. Late payments may be a cause for termination of the Agreement.

3. Depending on the type of proposal submitted to the City for its review, the proposer may, annually, provide the City with complete Financial Statements containing a "Review' opinion by an Independent Certified Public Accountant (CPA). If self-employed, the lessee will be required to supply the City will all income statements, including the lessee's filed "Schedule C". These statements are due within 60 days after the close of a calendar year.

H. REQUIRED INFORMATION, FORMS AND DOCUMENTS TO BE SUBMITTED

In order to be considered to be fully responsive, each proposer must complete and submit the following forms and documents as part of its proposal.

1. Proposal Letter
2. Statement of personal history
3. Authorization to release information

Item 1 should be in letter form and should clearly illustrate the proposal(s) and the proposer's qualifications and experience. After the preferred proposer has been selected, the City will ask for additional information, including but not limited to the following:

1. Financial statements for the last two calendar years, and a cash flow analysis and pro forma for the past next years
2. Business References, including contact information
3. Proof of comprehensive general liability insurance in an amount not less than $1,000,000, in which the City of Twin Falls will be named as an additionally insured

I. REPRESENTATIONS

1. The City shall not be bound by any representations that are not set forth in the RFP.

2. The proposer is responsible for making all necessary investigations and examinations of documents, operations and demised premises affecting performance. Failure to do so will relieve any portion of the Lease Agreement or the above documents. It is mutually agreed that the submission of a proposal shall be considered conclusive evidence that the proposer has made such investigations and examinations.

3. Any reasonable inquiry to determine the responsibility of a proposer may be conducted. The submission of a proposal shall constitute permission by the proposer for the City to verify all information contained therein. If the City deems it necessary, additional information may be requested from the proposer. The unreasonable failure of a proposer to promptly supply information in connection with such inquiry, including but not limited to; information regarding past performance, financial stability, and ability to perform on schedule, may be grounds for a determination that a proposer is non-responsive, and disqualified from further consideration.

4. The proposer may withdraw its proposal at any time prior to the date and time set forth herein as the deadline for acceptance of proposals, upon written request to the City.

5. All proposals shall be firm offers and may not be withdrawn for a period of thirty (30) days following the date to receive proposals.

J. SUBMISSION OF PROPOSALS

The original proposal and four (4) additional copies, including the required forms, shall be submitted to: **Parks and Recreation Department**
City of Twin Falls - Mr. Dennis J. Bowyer, Director
P.O. Box 1907
Twin Falls, Idaho 83303-1907

The City will accept all proposals **received on or before Thursday, March 17, 2011, close of business (5:00 p.m., local prevailing time).** Original signatures required; faxed copies will not be accepted. A proposer shall bear all risks associated with delays in the US Mail or other parcel carrier.

K. PROPOSER INTERVIEWS

The City may conduct informal discussions and interviews with qualified proposers.

EXHIBIT A

COURSE LAY-OUT
TWIN FALL GOLF CLUB

EXHIBIT B

REQUIRED FORMS

CITY OF TWIN FALLS
PARKS & RECREATION DEPARTMENT
OPERATIONS OF THE TWIN FALLS GOLF CLUB

MANDATORY STATEMENT OF PERSONAL HISTORY

1. **Legal Name** _____

2. **D.b.a. (if any)** _____

3. **Residence Address** _____

4. **Business Address** _____

5. **Contact Information**

   Phone: Home (_____)_____

   Cellular (_____)_____

   E-Mail: _____

YES or **NO**

6. Have you or your spouse filled bankruptcy within the last 10 years? _____

7. Have you ever been fired or asked to resign? _____

8. Have you ever been convicted or a felony or serious misdemeanor? _____

9. Have you, or any principle, ever had a bond or surety cancelled? _____

Please provide a detailed response for questions 6 through 9 that you answered ***"YES."*** *Failure to provide detailed information may result in delay in, or possible disqualification of, your proposal.*

I hereby certify that all statements made on or in connection with this **Statement of Personal History** are true to the best of my knowledge and belief, and I understand and agree that any misstatement or intentional omission of material fact may cause forfeiture on my part of all right to the proposed agreement to be awarded by the City of Twin Falls, Idaho.

Signature _____ Date _____

CITY OF TWIN FALLS
PARKS & RECREATION DEPARTMENT
OPERATIONS OF THE TWIN FALLS GOLF CLUB

AUTHORIZATION TO RELEASE INFORMATION

I hereby authorize and release of all financial and credit information and/or verification of previous employment with the City of Twin Falls, Idaho, as said items relate to my interest in securing an agreement with the City to operate the Twin Falls Golf Club. This form may be reproduced or photocopied to be utilized as my consent to release financial and credit information or previous employment verification.

_____ _____
Print Name Here Sign Name Here

_____
Date

Financial Institution Applicable Accounts – Number & Type

_____ _____

_____

_____

Financial Institution Applicable Accounts – Number & Type

_____ _____

_____

_____

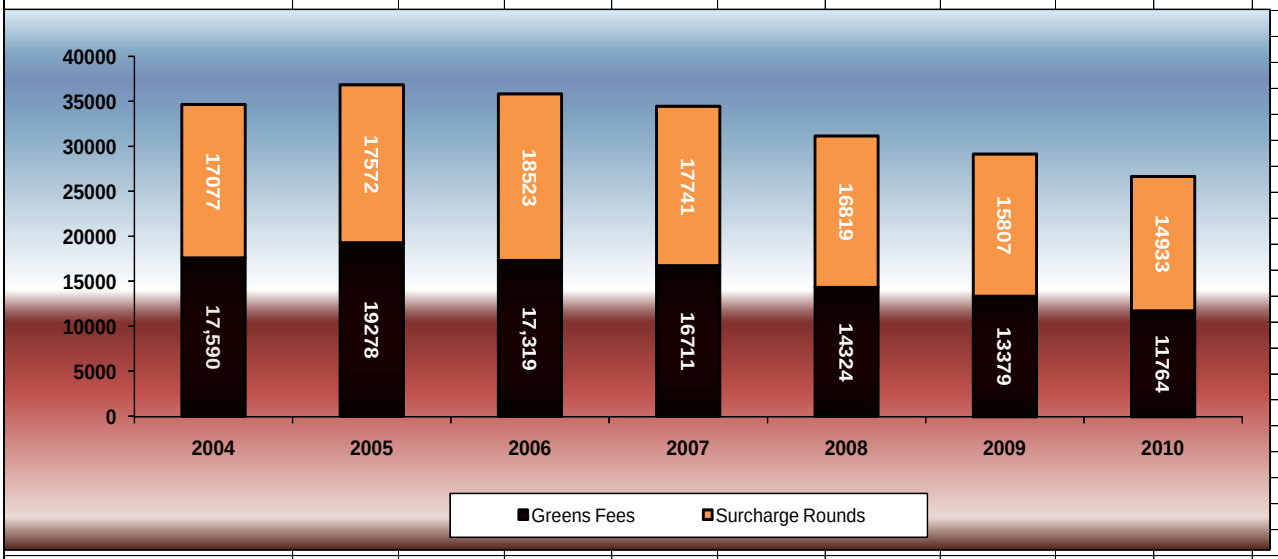
EXHIBIT C

TWIN FALLS GOLF CLUB
FINANCIAL AND USER INFORMATION

Golf Course Financial History									
		2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
									Preliminary
Revenues									
Green Fees		216,328	185,476	196,876	194,557	196,791	184,560	176,787	157,091
Coupon Books			28,868	28,184	22,257	33,137	23,526	19,033	16,486
Season Passes		107,165	78,986	79,573	109,138	104,655	105,640	102,173	100,535
Carts and Lockers		10,175	10,567	9,383	11,386	10,865	8,313	9,329	10,328
Concessions-Range/Carts		10,334	13,518	13,990	15,915	12,893	16,686	15,686	
Miscellaneous									6,360
Pro-Shop		14,433	15,746	15,750	15,750	15,750	15,750	14,438	2,443
Total Revenue		358,435	333,161	343,756	369,003	374,091	354,475	337,446	293,243
Expenses									
Contracted Expenses		44,635	44,447	44,009	49,348	46,754	56,074	56,188	58,401
Personal Expenses		195,681	192,431	190,334	183,367	198,941	223,576	189,074	142,463
Depreciation		37,252	36,233	29,329	26,324	26,429	31,355	35,613	29,850
Utilities		5,126	8,407	5,931	9,245	6,580	9,797	11,160	11,173
Supplies		60,963	69,608	53,237	32,988	39,758	45,312	29,901	38,085
Repairs and Maintenance		14,707	9,237	18,215	35,857	31,945	39,114	20,325	25,792
Vehicle Expense		17,389	20,151	20,797	21,935	22,870	24,230	22,402	21,823
Studies and Projects		4,510	1,668	9,164	12,452	8,632	7,392	-	
Rental Expense		178	89		534	362	2,230	-	214
Miscellaneous Expense		1,085	1,195	1,008	2,027	2,073	1,916	2,042	2,014
Telephone		2,748	1,922	1,932	140	12		-	
Travel and Meetings		791		35	385	-		827	539
Interest Expense		2,142	3,788	2,752	1,679	567	1,732	4,781	4,634
Total Expenses		387,207	389,176	376,743	376,281	384,923	442,728	372,313	334,988
Net Transfers In (Out)		(15,528)	(15,144)	(15,901)	(16,696)	(17,531)	(18,408)	(19,329)	40,157
Net Income		(44,300)	(71,159)	(48,888)	(23,974)	(28,363)	(106,661)	(54,196)	(1,588)
Prior Period Adjustment								(2,628)	
Beg Retained (Deficit)		428,169	383,869	312,710	263,822	239,850	211,485	104,824	48,000
End Retained (Deficit)		383,869	312,710	263,822	239,848	211,487	104,824	48,000	46,412

Twin Falls Golf Club Green fees, Surcharge, Total Rounds Comparison

	2004	2005	2006	2007	2008	2009	2010
Green Fee Rounds	17,590	19,278	17,319	16,711	14,324	*13,379*	*11,764*
Surcharge Rounds	17,077	17,572	18,523	17,741	16,819	15,807	14,933
Total Rounds	34,667	36,850	35,842	34,452	31,143	29,186	26,697
Difference Green Fees to Season Pass Rounds	513	1,706	-1,204	-1,030	-2,495	-2,428	-3,169
% Increase of Total Rounds	N/A	6.3%	-2.7%	-3.9%	-9.6%	-6.3%	-8.5%
% Increase of Green Fee Rounds	N/A	9.6%	-10.2%	-3.5%	-14.3%	-6.6%	-12.1%
% Increase of Surcharge Rounds	N/A	2.9%	5.4%	-4.2%	-5.2%	-6.0%	-5.5%



Italicized numbers are based on figures assuming that $1 golf rounds are divided by 9 to mean that every 9 holes played would be equivalent to one round. 9 holes are used because holes played were after 6pm, most players played 9 holes during these twilight hours.