



**City of Terre Haute**

**Request for Proposals for the  
Operation & Maintenance of City Golf Courses**

**Dated: March 15, 2017**

**Responses Due by 5:00 p.m. EDT on May 31, 2017**

March 15, 2017

Dear Potential Partner:

The City of Terre Haute (the “City”) is pleased to provide the following Request for Proposals for the Operation & Maintenance of City Golf Courses (the “RFP”). The City owns two golf courses which are overseen and managed by the Parks and Recreation Board (“Board”).

Through this RFP process, the City is seeking to identify highly qualified contractors to improve golf course operations, enhance customer satisfaction, control costs, mitigate future rate increases, protect the environment, preserve infrastructure assets, and provide opportunities for advancement for the incumbent staff.

This process will involve the participation of numerous stakeholders including the City, the Parks and Recreation Board, the City Council, the golf course operations team, employees, golf course customers, and other local partners. Any final contract with a successful respondent will be with the Parks and Recreation Board.

We look forward to reviewing the innovative ideas and strategies contained in your Proposals.

Sincerely,

Duke Bennett  
Mayor  
Terre Haute, Indiana

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# 1 Overview

## 1.1 Proposed Transaction

Using this Request for Proposals for the Operation and Maintenance of City Golf Courses (the “RFP”), the City of Terre Haute (the “City”) is seeking qualified contractors to provide operation and maintenance (“O&M”) services for the **Rea Park Golf Course** and the **Hulman Links Golf Course**. In order to achieve economies of scale, ensure consistent service delivery, and streamline contract oversight, the City’s expectation is to award a contract for the O&M services at the two golf courses to a single contractor. Additional information is provided in this RFP, its attachments, and the RFP Data Room.

## 1.2 Term of Agreement

The initial term of the O&M contract will be for five (5) years, with a renewal option of five (5) years.

## 1.3 Objectives

The objectives for the RFP process include:

- Improving golf course customer satisfaction;
- Enhancing overall financial performance;
- Ensuring that the golf course assets are properly maintained;
- Mitigating future rate increases; and
- Providing opportunities for interested incumbent employees.

## 1.4 Selection Criteria

The criteria for evaluating the Proposals will include the following:

<b>Evaluation Criteria</b>	<b>Scoring</b>
The contractor’s prior experience providing the scope of work detailed in the RFP	20%
The contractor’s overall financial strength	20%
The contractor’s understanding of and ability to deliver the scope of work as demonstrated in its Proposal	20%
The financial benefit to the City associated with the Proposal as set forth in the Service Cost Pricing Worksheet	40%

## **1.5 Reserved Rights and Options**

The City and the Parks and Recreation Board (“Board”) reserve and hold, at their sole discretion, the right to:

- Accept any Proposal;
- Reject any or all Proposals, waive any irregularities, or not enter into any transaction;
- Terminate consideration or evaluation of any Proposal at any time, for any reason;
- Suspend, discontinue and/or terminate the RFP process for any reason;
- Negotiate with a selected contractor without being bound by any provision in a Proposal;
- Request and/or receive additional information regarding any Proposal;
- Revise, supplement, withdraw or cancel all or part of this RFP for any reason;
- Conduct investigations with respect to the qualifications and experience of contractors;
- Change the schedule for dates specified in this RFP;
- Evaluate alternative operational and financial models;
- Request Best and Final Offers; and
- Take any other action affecting the RFP or the process that is in the City’s and the Board’s best interest.

## **1.6 Costs of Proposal Preparation**

Proposals are to be prepared at the cost and expense of the contractors, with the express understanding that there may be no claims whatsoever for the reimbursement of any costs, damages, or expenses related to this RFP from the City, the Board, their respective officials, directors, employees, advisors, or representatives, or any other party for any reason.

## **1.7 Accuracy of the RFP and Related Documents**

The City and the Board assume no responsibility for the completeness or the accuracy of specific technical and background information presented in this RFP or otherwise distributed or made available during this RFP process. No person has been authorized by the City to give any information other than the information contained in this RFP and, if given, such other information should not be relied upon as having been authorized by the City. Except where otherwise indicated, all information contained in this RFP has been provided by the City. The information set forth herein has been obtained from sources that are believed to be reliable but is not guaranteed as to accuracy or completeness. The information contained herein is subject to change without notice, and neither the delivery of this RFP or other information shall under any circumstances create an implication that there has been no change in the information set forth herein.

Contractors are responsible for reviewing and becoming familiar with all available documents pertaining to the golf courses and relating to the performance of the scope of work requested under the terms and provisions of the RFP. Specifically, it is the obligation and responsibility of each contractor submitting a Proposal to:

- Review the terms of this RFP so that it is familiar with all aspects of it;

- Inspect the golf courses to be able to determine separate and apart from any of the information provided by the City and the specific provisions of this RFP the scope of work it is agreeing to provide;
- Analyze all applicable federal, state and local laws, regulations, ordinances, permits, approvals and orders that may affect the cost, performance, or furnishing of the scope of work required under the terms of this RFP; and
- Notify Nick Weber, the City's transaction advisor, at [Nick.Weber@FaegreBD.com](mailto:Nick.Weber@FaegreBD.com) prior to the submission of responses to this RFP of any conflicts, errors, omissions, or discrepancies therein. It is the contractor's responsibility to ensure that it proactively addresses any questions, issues, or concerns related to the RFP or the RFP process.

## **1.8 Legal Issues**

### **1.8.1 System Use of Tax-Exempt Bond Proceeds**

Some of the golf course assets involved in this RFP process may have been financed in whole or in part with tax-exempt bond proceeds. If the City chooses to proceed with an O&M contract, future improvements may also be so funded. Federal tax laws, including Rev. Proc. 2016-44, impose constraints on the length of a contract and manner of compensation between a governmental entity and a private entity involving a facility financed with proceeds from tax-exempt bonds. Contractor Proposals and the terms of any agreement, therefore, must conform to all applicable state and federal tax laws, rulings, and regulations or describe a taxable refinancing or defeasance of outstanding tax-exempt debt.

### **1.8.2 No Suspension or Debarment**

By submitting the information called for by this RFP, the contractor submitting the information certifies that neither it nor those within its organization (including partners and subcontractors) are under suspension or debarment by any governmental entity, instrumentality, or authority.

### **1.8.3 Compliance with Applicable Law**

Contractors are responsible for ensuring that their Proposals, as submitted, are in compliance with all potentially applicable legal requirements. In addition, the successful contractor shall furnish the City upon request any and all documentation regarding necessary licenses, permits, certifications and/or registrations required by the laws or rules and regulations of the City, other units of local government, the State of Indiana, and the United States. The contractor certifies that it is now and will remain in good standing with such governmental agencies and that it will keep its licenses, permits, certifications and/or registrations in force during the term of the contract.

All of the responsibilities that the contractor and its approved partners and subcontractors perform under any resulting contracts must be performed in accordance with applicable law (including all applicable governmental approvals). The contractor will immediately remedy any failure to comply with applicable law at its expense, and pay any fines and penalties related thereto.

### **1.8.1 Non-Collusion Affidavit**

Each contractor must certify that it has not participated in collusion or other anticompetitive practices in connection with the RFP process by executing and returning with its proposal the Non-Collusion Affidavit in the form of Exhibit B, attached hereto.

## **1.9 Additional Provisions**

### **1.9.1 Contract Compliance Officer**

At the conclusion of the process, the City will identify a Contract Compliance Officer (the "CCO") who will serve as the successful contractor's primary point of contact for contract-related matters. The CCO will be responsible for ensuring that the contractor provides high levels of service and complies with the terms of the contract and this RFP.

### **1.9.2 Taxes**

The City is exempt from federal, state and local taxes and will not be responsible for any such taxes in connection with the award of this contract.

### **1.9.3 Performance Bond**

A performance bond or other security may be required from the selected contractor. The performance bond shall be issued by a bona fide surety and made payable to the City. If required, the performance bond shall be delivered to the City within ten (10) business days after notification of receipt of contractor's selection by the City and Board.

If required, the City will establish the amount of the performance bond. The City will then reimburse the contractor for the actual cost of the performance bond as part of the final pricing calculation for the contract.

### **1.9.4 Subcontractors**

The City intends to contract with one contractor who will be solely responsible for contract performance. In the event a prime contractor utilizes one or more subcontractors, the prime contractor will assume all responsibility for performance of services by the subcontractor(s). Additionally, the City must be named as a third-party beneficiary in all subcontracts. A list of all subcontractors proposed to take part in the performance of the contract (at its outset) shall be provided to the City for approval prior to contract execution. This request may require that sufficient financial or background information be provided. To the degree available, this information shall be included in an Appendix with the Proposal response, which shall not count against the maximum page limit. Future use of subcontractors shall be subject to the approval by the City through the Parks and Recreation Board, which approval shall not unreasonably be withheld. In the event that such approval is given, however, it shall not be construed to relieve the contractor from any responsibility under the contract.

## **2 RFP Process**

### **2.1 Contractor Registration**

Upon receipt of this RFP, all contractors considering submission of a Proposal and that wish to be included in all interim communications concerning this RFP process **must** become a Registered Contractor by submitting the name, title, company, address, phone number, and e-mail address of the primary point of contact for the contractor to Nick Weber, the City's transaction advisor, at [Nick.Weber@FaegreBD.com](mailto:Nick.Weber@FaegreBD.com).

### **2.2 Data Room**

The City may, at its discretion, establish a virtual Data Room (an online document management system) for use by Registered Contractors. If a Data Room is established, upon becoming a Registered Contractor, Nick Weber will email credentials to each Registered Contractor to enable the primary contact of the contractor access to the Data Room. A Registered Contractor may request that a reasonable number of additional representatives have access to the Data Room by sending the name, title and email address of each such additional representative(s) to [Nick.Weber@FaegreBD.com](mailto:Nick.Weber@FaegreBD.com) and requesting access.

In addition, requests for additional documents may be sent to Nick Weber via e-mail. The City, at its discretion, will determine whether such documents are reasonably available and whether they will be added to the Data Room. To the extent that the City chooses to modify or amend the RFP or to provide additional data, the City will provide notice to all Registered Contractors of such changes and will place the relevant materials in the Data Room. The contractors should periodically check the Data Room for any new information or addenda to the RFP.

### **2.3 Inquiries and Communication Restrictions**

The City understands that contractors may have questions regarding the RFP and this process. All questions must be in written form and received via e-mail before 5:00 p.m. EST on or before May 15, 2017, by Nick Weber at [Nick.Weber@FaegreBD.com](mailto:Nick.Weber@FaegreBD.com).

All e-mailed questions should contain the phrase "City of Terre Haute – Golf Courses – Request for Proposals" in the subject line. All questions received and corresponding answers will be distributed to all Registered Contractors prior to the deadline for submitting Proposals. The City may choose to answer questions as they are received or may provide a single consolidated response. Questions and answers shall become part of the RFP process.

Neither contractors nor their representatives should communicate about this RFP or the RFP process with City, Board officials, or golf course employees, unless contacted by the City or its advisors to discuss a particular matter. If a contractor or its representative engages in any unauthorized communication, the City and the Board may reject that contractor's Proposal.

### **2.4 Pre-Proposal Due Diligence Site Visits**

The City may, at its discretion, schedule pre-Proposal due diligence site visits at times and locations to be established by the City. The purpose of the pre-Proposal due diligence site visits is to enable contractors to tour the golf courses and related facilities. Due diligence site visits will be completed prior to the due date for written questions and the City will provide all

Registered Contractors with written notice of the time(s) and location(s). Contractors may not rely upon oral responses to questions asked during the pre-Proposal due diligence site visit. Contractors must submit any questions arising from the pre-Proposal due diligence site visits in writing as part of the question and answer process described herein.

Documents available in the Data Room were not prepared for the purpose of providing information to contractors specifically for this RFP process and are provided for the convenience of the contractors. The City makes no representation or guarantee as to the accuracy, completeness, or pertinence of the information contained in this RFP or the documents included in the Data Room, and shall not be responsible for any inferences or conclusions drawn therefrom.

Each contractor is wholly and exclusively responsible for conducting its own independent research and due diligence and for seeking any other independent advice necessary for the preparation of a Proposal, negotiation of agreements, and the subsequent delivery of all scope of work to be provided in the case of award.

The City requires contractors to accept the golf courses "as-is." Contractors shall assume responsibility under any to-be-negotiated agreement based on the condition of the golf courses "as-is." Contractors are strongly encouraged to make all inspections and review all available and relevant data and information prior to submitting Proposals.

## **2.5 Other Discussions**

The City, at its discretion, and its advisors may have discussions with contractors for the purpose of clarification to ensure full understanding of and responsiveness to the RFP.

## **2.6 Schedule**

The tentative schedule for the major activities included in the overall RFP process is shown below. The contractors should anticipate that these dates may be amended from time to time as needed.

The following table sets forth the City's intended schedule relating to the issuance of this RFP and associated activities. The process will be run in compliance with IND. CODE §§ 5-23-1 et. seq., the notice requirements of IND. CODE §§ 5-3-1 and other applicable law. The City reserves the right to modify any or all dates below in its sole discretion.

<u>Date</u>	<u>Activity</u>
Friday, March 17	<ul style="list-style-type: none"> <li>• Issue RFP</li> </ul>
Monday, March 20 – Friday, March 31	<ul style="list-style-type: none"> <li>• Contractors register to participate in RFP process via the e-mail address pursuant to Section 2.1 of this RFP</li> <li>• Registering contractors receive credentials for access to electronic data room</li> </ul>
Monday, April 3	<ul style="list-style-type: none"> <li>• Electronic data room available to contractors who register</li> </ul>
Wednesday, April 5- Friday, May 15	<ul style="list-style-type: none"> <li>• Contractors may submit Questions re: the RFP to the City via the e-mail address pursuant to Section 2.3 of this RFP</li> </ul>
Monday, May 1- Friday, May 12	<ul style="list-style-type: none"> <li>• Mandatory site visits for all interested contractors</li> </ul>
Monday, May 15	<ul style="list-style-type: none"> <li>• Questions re: the RFP due to City</li> </ul>
Friday, May 19	<ul style="list-style-type: none"> <li>• The City distributes to respondents responses to Questions received from contractors, if applicable</li> </ul>
Wednesday, May 31	<ul style="list-style-type: none"> <li>• Responses to RFP due</li> </ul>
Monday, June 5– Friday, June 9	<ul style="list-style-type: none"> <li>• Possible interviews of contractors by City and/or advisors</li> </ul>
Wednesday, June 14	<ul style="list-style-type: none"> <li>• City notifies Parks and Recreation Board of preferred partner</li> </ul>

## 2.7 Submitting Responses

Ten (10) paper copies and one electronic copy (on an unencrypted thumb drive) of the complete response should be delivered to the following address no later than 5:00 p.m. EDT on May 31, 2017:

**Nick Weber**  
**FaegreBD Consulting**  
**300 North Meridian St.**  
**Suite 2700**  
**Indianapolis, Indiana 46204**

**Sealed envelopes/boxes must be clearly marked “Sealed Response to Request for Proposals – City of Terre Haute – Golf Courses”.**

**No late responses will be accepted and responses received after the deadline or at a location other than that stated above will not be considered.**

## 2.8 Confidential Information

All responses and related materials are the property of the City and will not be returned. At the conclusion of the procurement process, the City may dispose of any and all materials received from contractors in whatever manner it deems appropriate. In no event will the City assume liability for any loss, damage or injury that may result from any disclosure or use of proprietary information. Contractors should be aware that records of the City are subject to the provisions of the Indiana Access to Public Records Act at §§5-14-3-1 et seq.

By submitting a response, each contractor acknowledges and agrees that any ideas, intellectual property, improvements or other suggestions to improve the golf courses and related facilities offered by any contractor will not be confidential nor subject to any restrictions on use by the City or any other contractor. Except as otherwise required by law, none of the responses will be made available to the public until after negotiation and award of a contract or cancellation of the RFP process.

To the extent requested by a contractor and allowed by law, the City will treat trade secrets and confidential financial information as confidential if designated as confidential and submitted separately in a sealed envelope. The contractor must request confidential status before the Proposals are opened. If the City believes that information designated as confidential should not be treated as such, the contractor will be notified and afforded reasonable time to present objections prior to any release of the information. The City will take into consideration the possibility of harm resulting from any disclosure, but reserves the right to make the final determination in accordance with the law. Pricing information may not be considered confidential.

## **2.9 Review Committee**

The City may establish a Review Committee to evaluate the Proposals. The City will then determine the appropriate next steps, if any, for the process.

## **2.10 Final Review and Presentations**

After the initial review of the Proposals, the City will begin the process of selecting the Proposal that is most favorable to the City. As part of that process, the City may create a short-list of contractors. One or more contractors may be asked to **(a)** submit additional information, **(b)** review and comment on draft transaction documents, **(c)** provide revised or final pricing, **(d)** appear before the City and/or other organizations to make presentations, **(e)** conduct other discussions with the City, and/or its representatives for RFP-related purposes, or **(f)** take such other action as the City deems helpful to the evaluation and selection process. The City reserves the right to conduct site visits of facilities operated by one or more contractors.

## **2.11 Selection and Contract Negotiation**

Following the final review and presentations, if any, the City will determine whether to select a preferred partner, reject all Proposals and terminate the process, or take any other appropriate action. The City will use the selection criteria set forth in the RFP as the basis for Proposal evaluations.

The City will make their determination as to the most appropriate response to the Proposals and may award the contract to the successful contractor, may reject any or all Proposals, or take any other appropriate action. If unable to complete and execute a contract with the selected contractor within a reasonable period, the City and the Board reserve the right to extend or suspend the negotiations, or begin negotiation with another contractor, or terminate all negotiations.

The City will identify the preferred partner to the Parks and Recreation Board. A final O&M agreement is expected to be executed between a responding entity and the Parks and Recreation Board, which maintains contracting authority for golf course assets.

## 2.12 Notifying Unsuccessful Contractors

Unsuccessful contractors will be notified by the City at a time deemed appropriate by the City.

## 3 Terre Haute and Golf Course Background

Terre Haute is the 10<sup>th</sup> largest city in Indiana with a population of about 61,085. The greater metropolitan area has a population of about 170,000. The City has a Mayor and Council form of government. It is home to leading academic institutions, including Indiana State University and Rose-Hulman Institute of Technology. The City is also home to Hulman & Company (Clabber Girl), Union Hospital, Vigo County School Corporation, Terre Haute Regional Hospital, Bemis, and the United States Federal Correctional Complex.

The City has two municipal golf courses operated through its Parks and Recreation Board for the City. The first, **Rea Park Golf Course**, is located at 3500 South 7<sup>th</sup> Street in Terre Haute. It is an 18-hole par 72 course that plays 6482 yards from the back tee boxes. The course rating is 69.8 and it has a slope rating of 113. Rea Park opened for play in 1920. The course sells yearly passes/memberships, some of which offer benefits at Hulman Links Golf Course. The weekday 18-hole adult rate is \$20 for walking and \$33 for riding. The weekend 18-hole adult rate is \$23 for walking, \$36 for riding. The land for the course was donated to Terre Haute by William S. Rea and, due to the nature of the bequest, potential complications could arise if the site were to be sold, transferred or closed.

The second course is the **Hulman Links Golf Course**, located at 990 North Chamberlain Street in Terre Haute. Opened for play in 1978, Hulman Links is an 18-hole par 72 course that plays 7225 yards from the back tee boxes. The course rating is 74.9 and it has a slope rating of 144. Hulman Links has been recognized numerous times, most recently being named the 2009 Indiana Municipal Golf Course of the Year. In 2006, Hulman Links was voted the 6<sup>th</sup> toughest public golf course in Indiana. The course sells yearly passes/memberships, some of which offer benefits at Rea Park Golf Course. The weekday 18-hole adult rate is \$23.95 for walking and \$36.95 for riding. The weekend 18-hole adult rate is \$24.95 for walking, \$37.95 for riding. The course also features a restaurant, lounge, banquet facility and pro shop. The land for the course was donated to Terre Haute by the late Tony Hulman and, due to the nature of the bequest, potential complications could arise if the site were to be sold, transferred or closed.

## 4 Scope of Services

### 4.1 Basic Scope of Service Requirements

The scope of services provided by the contractor will include providing full-time, on-site operations and maintenance (“O&M”) of the golf courses during the term of the contract. The contractor will provide all labor, materials, hardware and equipment necessary to fully support the required services for the City.

The contractor shall:

- Be responsible to the City and the general public for delivering high-quality golf course services and shall conduct its business in a manner accepted and established by the PGA.
- Establish hours of operation in collaboration with the City.
- Operate the golf courses in an orderly manner and not annoy, disturb or be offensive to customers, patrons, or others in the immediate vicinity of such operations.
- Shall attend necessary meetings, including Board meetings with golf-related agenda items, City golf-related functions, and golf contract oversight meetings.
- Use City-owned equipment designated for the facilities for the duration of their useful life or until contract termination, whichever is first. If an item of City-owned equipment reaches the end of its useful life during the contract term, the contractor shall replace the item. At the end of the contract term, the equipment shall transfer back to the City and it shall overall be in equal or better condition as at the outset of the contract. The contractor and the CCO shall mutually document in writing the condition of the equipment prior to the start date of the contract.

## **4.2 Course Operations**

### **4.2.1 Golf Course Standards**

Contractor shall maintain the golf courses and related facilities in accordance with accepted PGA of America guidelines and Golf Course Superintendents Association of America (“GCSAA”) standards.

Relevant service standards include, but are not limited to, the following:

- Tee times are scheduled easily.
- Prices for all green fees, golf cart fees, pull cart fees, and range balls are prominently displayed at all times and receipts are provided for paid fees.
- Policies regarding tee-times, rain-checks, refunds, and dress code are prominently displayed at all times.
- Information on passes, leagues, lessons, and other services are readily available.
- Score cards and pencils are readily available.
- Hole signs with yardage and par are well placed.
- Drinking water is available on the course.
- Pace of play is appropriately monitored and maintained.
- Professional staff are clearly identifiable and present neat and clean appearance.
- Clubhouse, pro shop, restaurants, and restrooms are clean, swept, and maintained.
- Grounds are nicely landscaped and free of trash.
- Carts are clean, fueled/charged, and perform well at speed and direction.
- Carts are undamaged.
- Driving range hitting surfaces are well maintained and range balls are clean and uncut.
- Irrigation systems (including main lines, valves, lateral lines, sprinkler heads, controllers and all other parts of the system) are maintained in good repair, function properly, and conform to all relevant codes and regulations at all times. All preventive maintenance work shall be performed each fall at the contractor's expense prior to system shutdown.

#### **4.2.2 Maintenance of Golf Courses**

The contractor shall, at its sole cost and expense, keep and maintain the golf courses (which include all related facilities and equipment) in good and neat order, condition and repair. This includes, without limitation, routine maintenance, predictive maintenance and preventative maintenance. The golf courses shall be maintained in at least as good of condition as present on the start date of the contract. The contractor and the CCO shall document in writing the condition of the golf courses prior to the start date of the contract.

In the event that an improvement is installed and or constructed, the contractor shall be responsible for any costs which are reasonable and necessary to maintain said improvements during the contract term.

All equipment, furnishings, signs and advertising installed by the contractor shall be in keeping with the appropriate standards of decor at the golf courses. The contractor agrees that all equipment, furnishings and improvements provided shall meet the requirements of all applicable building, fire, pollution, and other related codes.

If the golf courses suffer tree damage resulting from inclement weather, the contractor shall be responsible for all cleanup costs.

The contractor will be responsible for all expenses to operate the golf courses and neither the City nor the Parks and Recreation Board shall make any repairs or replacement of any equipment, building function, utility operation (e.g., furnace, air conditioner, sewer line,) during the term of the contract. The CCO may, with proper notice, inspect the golf courses to ensure compliance.

#### **4.2.3 Staffing**

The contractor shall provide all management and staffing at all times. The contractor shall have and retain full control over the employment and discharge of all persons assisting in the performance of its services hereunder. The contractor shall be solely responsible for all matters relating to wages, hours of work, working conditions, and payment of employees, including compliance with Social Security, all payroll taxes and withholdings, unemployment compensation, and all other requirements relating to such matters. The contractor shall be responsible for its own acts and those of its subordinates, employees, and any and all subcontractors, if any, during the contract term. The contractor shall file a wage report with the CCO on a quarterly basis showing payment of payroll taxes.

#### **4.2.4 Class A-1 Professional**

The contractor shall employ on a full-time basis an experienced golf professional for its golf course operations who shall be a licensed Class A-1 member of the PGA (the "Golf Professional") if the contractor is not a PGA member.

#### **4.2.5 Clubhouse Operations**

The contractor shall operate the concessions and Clubhouses at its own cost and expense and monitor the sales and concession areas therein, all of which shall be open during the times the golf courses are open for play.

The contractor shall be responsible for the day-to-day maintenance of the concessions and Clubhouses, which shall include, but is not limited to, all repairs and replacement of heating and cooling equipment, cleaning, replacement and upkeep of all furniture and fixtures, painting exterior and interior of the concessions and Clubhouses, replacement of carpeting and providing all necessary supplies and materials. Major repairs and renovations, if needed, will be made off season whenever possible to maximize access to and use of the concessions and Clubhouses during public operations.

#### **4.2.6 Concessions Area**

The contractor shall be responsible for any and all aspects of the food and beverage concessions at the golf courses, including all permits, codes and other regulations of the City, Vigo County, and the State of Indiana.

#### **4.2.7 Merchandise**

The Contractor has all decision making control of the merchandise concession.

#### **4.2.8 Licenses and Permits**

The contractor shall obtain all necessary licenses and permits for the operation of the golf courses, including the Clubhouses, concessions, and food and beverage and shall furnish copies of all required licenses to the City.

All licenses and permits, including any Alcohol & Tobacco Commission (the "ATC") licenses and permits, shall be obtained at the contractor's sole expense. Licenses and permits shall be assigned without charge to the City or its designee at the end of the contract, except for any transfer fee assessed by ATC and the pro-rata amount of the ATC annual renewal fee. The contractor shall monitor the alcohol sales so that consumption does not exceed amounts prescribed by ATC.

#### **4.2.9 Signage**

The contractor shall prominently display a sign in the Golf Shops at all times stating the following information:

- Greens fees
- Golf cart rental fees
- Pull cart rental fees
- Range ball fees
- Dress code
- Raincheck policy
- Tee time policy
- Refund policy

The contractor shall also maintain all of the signs existing at the golf courses as of the start date of the contract. The CCO shall have final approval of new signs or logo designs.

All advertising will be the responsibility of the contractor. The City will provide golf information on its website at no cost.

#### **4.2.10 Compliance with Rules and Regulations**

Contractor shall not use the golf courses for any unlawful purpose or act and shall comply with and obey all laws, regulations (including zoning and sign regulations) or orders of any governmental authority or agency. The contractor shall not use, or permit the golf courses (or any part thereof) to be used for any purpose or purposes other than as a municipal golf course, except as approved by the CCO. The contractor shall not commit, or suffer to be committed, any waste on or about the golf courses, or create any nuisance.

The Contractor agrees that its operation of the golf courses will be in accordance with all rules, regulations, procedures, conditions and terms of the City and the Parks and Recreation Board now in effect or as may hereafter be adopted. Any rules, regulations, procedures, conditions or terms adopted by the City or the Parks and Recreation Board after the date of any contract which are inconsistent with the provisions of this RFP or any contract shall not be binding on the contractor until the contractor shall agree to the same in writing.

The contractor shall not conduct any business or activity not specifically authorized by this RFP unless approved in writing in advance by the CCO. The contractor shall comply with all applicable federal laws and regulations, state statutes and City ordinances and regulations relative to the operation of the golf courses and any contract.

#### **4.2.11 Utilities**

The contractor shall pay for all water, wastewater, gas, electric, telephone and other public utilities of every kind furnished to the golf courses and the related facilities. The contractor will indemnify and hold harmless the City from any liability resulting from any nonpayment for any such services.

The contractor shall maintain, repair and or replace all utilities and equipment at the golf courses, including, but not limited to, drains, sewer pipes, air conditioning, plumbing and electrical lines, services, outlets, meters to monitor utility usage (except as otherwise set forth herein or as maintained by the electric, gas and water utility companies). Further, the contractor shall be responsible for maintenance, repair and restoration of golf course property within all utility easements.

#### **4.2.12 Environmental Matters**

In the event a violation of any environmental law, statute, rule or regulation is alleged to exist at the golf courses, which violation existed, in whole or in part, prior to the date the contractor obtained control and possession of the golf courses, the City or its designee shall cure such matter at no cost or expense to the contractor.

The contractor, however, will be liable for any violation of any environmental law, statute, rule or regulation that was caused by the acts or omissions of the contractor.

#### **4.2.13 Insurance Requirements**

The contractor shall furnish satisfactory proof to the City of contractor's purchase and continuing coverage of the following kinds and amounts of insurance.

- Commercial General Liability Insurance – An aggregate amount of \$5 million, which may be carried as \$1 million in primary coverage and \$4 million in umbrella coverage
- Product Liability Insurance - \$1 million
- Liquor Liability Insurance - \$1 million
- Worker’s Compensation Insurance and Automobile insurance - \$1 million

### **4.3 Payments to the City**

Currently, both golf courses are running operating deficits. The City is focused on reducing and, ideally, eliminating these deficits. While the City is interested in revenue sharing strategies for the golf courses over the longer-term, its primary focus at this time is to make the golf courses self-sustaining and to eliminate the existing subsidies. The Service Cost Pricing Worksheet attached as Exhibit A provides additional guidance.

## **5 Response Format Requirements**

The subsections that follow provide an overview of the Proposal format requirements.

While each contractor is **required to respond directly to the RFP requirements in its Proposal**, the City is interested in other ideas or strategies that will further improve financial performance and/or increase customer satisfaction. Contractors are therefore permitted to provide alternatives for the City’s consideration in the space provided in the attached Service Cost Pricing Worksheet.

### **5.1 General**

Contractors should clearly communicate in their Proposals the manner in which they will deliver the Scope of Services. Proposals must include all of the requested services for both golf courses. Contractors are encouraged to be concise, respond directly to the RFP requirements, and address the objectives of the RFP process.

Proposals should not exceed forty (40) pages in length, excluding required appendices. Tabs used to separate sections will not count against the page limit. Pages should be numbered consecutively from one (1) through forty (40). Resumes of key staff, as described in more detail below, should be placed in an Appendix, and will not count towards the page limit.

Contractors are required to complete the attached Service Cost Pricing Worksheet.

### **5.2 Proposal Format**

Proposals should be in an 8 ½” x 11” format with standard text no smaller than 11 point. The margins on each page should not be less than 1 inch and the line spacing should not be less than 1.1, excluding charts and graphics. The ten (10) paper copies of the Proposal should be three-hole punched and placed in separate 3-ring binders. Proposals should be organized and outlined in the format described below, including major section titles. The Service Cost Pricing Worksheet must be included in the contractor’s Proposal and will not count against page limits.

## **5.3 Specific Proposal Format and Content**

The format and content of contractor Proposals is outlined, by section, in greater detail below.

### **5.3.1 Letter of Transmittal**

The letter of transmittal should include the information attached as Exhibit C to this RFP, specifically, the contractor's name, contact person for the contractor's proposal (with name, address, telephone number, and e-mail address), signature of the contractor's authorized representative, and a designation of the responsible legal entity that would sign an agreement with the City if the Proposal is accepted.

In the letter of transmittal, the contractor should also confirm in writing that **(a)** the contractor is a legal entity and is registered to do business in the State of Indiana, **(b)** the Proposal is genuine and without collusion in all respects, **(c)** the Proposal prices are genuine and were arrived at independently, **(d)** that the contact person is authorized to act on the contractor's behalf, and **(e)** that the Proposal shall remain valid for at least 180 days unless otherwise extended by the contractor and the City.

### **5.3.2 Table of Contents**

Indicate significant elements of the Proposal by subject and page number. If the Proposal contains appendices, include a listing of the items included.

### **5.3.3 Executive Summary**

Provide an executive summary of the key elements of the Proposal, focusing on the City's objectives as described in this RFP.

### **5.3.4 Financial Resources and Related Issues**

Describe the contractor's financial strength, including its ability to provide financial guarantees for the work outlined in the Proposal. Contractors will be required to prove financial solvency. Describe the contractor's willingness and ability to secure any required performance bond. Discuss the insurance requirements proposed in this RFP.

### **5.3.5 Contractor Qualifications**

Describe the contractor's general qualifications related to the scope of work for this project, including separate descriptions of the qualifications for any partners or subcontractors participating in the Proposal. The information shall include, at a minimum, the following:

- Company name, including local, regional, or national business addresses
- Year established
- Type of ownership and parent company, if applicable
- Name of the manager who will be responsible for implementing this project

If the contractor is proposing a joint venture or the use of subcontractors, provide the same information listed above for joint venture partners or subcontractors and explain their role. The

contractor must assume responsibility for the entire project, including the work of any partners or subcontractors.

### **5.3.6 References**

Provide contact information (see list below for details) for at least two (2) but not more than five (5) reference projects of comparable size and complexity to the City's golf courses that illustrate the contractor's qualifications. Municipal references based in the United States are preferred but are not required.

- Name and title of contact
- Organization name
- Mailing address
- Phone number
- E-Mail address
- Brief description of the services provided and specific benefits achieved (e.g., increase in usage, service enhancements, environmental benefits, and/or improved financial performance)
- Brief description of capital improvements planned, constructed, and managed
- Year services began

### **5.3.7 Organization and Management**

Provide a description of the legal organization of the responsible legal entity that would enter into a contract with the City and the relationship of any partners, subcontractors or sub-consultants. Identify the financial guarantor for any work on this project.

Provide a one-page staff organization chart indicating key staff who will work on this project and their employer. Key staff should include managers and lead operational staff who will be interacting with the City staff on a frequent basis. Provide in the Appendix one-page professional resumes for key staff that describe each person's educational background, work experience, registrations and certificates, client references and roles in projects similar to this one. Do not include any current City employees.

Describe the proposed staffing plan, specifically including the number of all staff involved in the daily operations and maintenance of the golf courses and their job classification, and the number of these staff currently employed by the contractor.

### **5.3.8 Employee Issues**

Describe the contractor's approach to employee management. Discuss the contractor's approach to hiring incumbent City staff who may be interested in joining the contractor.

### **5.3.9 Operating Plan**

Provide a brief description of the following:

- Maintenance programs, including tees, fairways, greens, bunkers, rough, irrigation system, concessions, pro shop area, outdoor teaching area, driving and practice ranges and other grounds

- Customer service standards
- Technology solutions and operating systems that promote efficiency (e.g., online tee time booking, transaction data management)
- Clubhouse operations, instructional programs and relevant performance standards
- Marketing and promotional plans for youth and adults
- Pro forma operating costs and revenue projections for five (5) years

### **5.3.10 Innovative Programming and Environmental Ideas**

Provide a brief description of the following:

- Innovative operational ideas (e.g., enhanced access to courses, event management, public services, new revenue ideas)
- Youth programming
- Environmental initiatives including, but not limited to, concepts that improve wildlife habitats, wetlands, and other natural areas
- Potential partnerships with local entities with interest in preserving important elements of the City's golf-related infrastructure

### **5.3.11 Proposed Transition Plan and Schedule**

Provide a transition plan and schedule describing how the contractor will ensure the orderly transfer of operations at both the beginning and end of the contract term. The plan should identify the contractor's planned date (expressed as days from Notice-to-Proceed from the City) for assuming full responsibility for the operation and management of the golf courses. The schedule should include the dates for all key planned activities. The transition plan should include a short section addressing the approach to O&M activities during any transition period.

### **5.3.12 Litigation, Bankruptcy, Termination, and Default History**

For the contractor and each partner or subcontractor (the "Parties" or individually a "Party"), provide the following for the last three (3) years:

- Material litigation on matters similar to the subject of this RFP, including any instances where one or more of the Parties filed litigation against a city, authority or public entity;
- Any filings for bankruptcy;
- Any termination for cause, including any instances where a Party failed to complete work awarded under any contract similar to the subject of this RFP; or
- Any contract default.

If no such instances occurred, the contractor should state so affirmatively in the Proposal.

### **5.3.13 Capital Improvements**

Because both golf courses are running long-term financial deficits, the City is not requiring a partner to provide for or fund new capital improvements at this time. However, to the extent that contractors believe the City, the Parks and Recreation Board, or the contractor

should consider making selected capital improvements, the contractor should provide the following:

- Specifically describe the recommended capital improvements
- Provide estimated costs
- Describe financing strategies (e.g., City funded, contractor funded, other)
- Describe the impact the improvements would have on the golfing experience
- Describe the impact the improvements would have on overall financial performance, including the contractor's proposed pricing

#### **5.3.14 Exceptions and Assumptions**

Describe any exceptions taken to the scope of work or other elements of this RFP. Disclose and explain any material financial assumptions.

#### **5.3.15 Recent Contract**

The contractor should include as an Appendix to its Proposal a recent contract between it and a municipality/unit of government for services similar to those described in this RFP. If the contractor does not have a contract with a municipality/unit of government, it may provide a contract with a private entity. If the contract is more than twenty (20) pages, it should be provided only on the unencrypted disk or thumb drive and not as part of the required ten (10) hard copies.

#### **5.3.16 Appendices**

The appendices should be separated by labeled tabs identifying their content. The first appendix should include resumes as described above, the second appendix should include, if applicable, resumes of subcontractors and third should include the contract described in Section 5.3.15, above. None of these appendices shall be counted toward the maximum page limit. Additional appendices may be used at the contractor's discretion, but the City is under no obligation to consider these additional materials.

#### **5.3.17 Price Proposal**

In order to facilitate side-by-side comparison of contractor Proposals and prices, each contractor must fill out the attached Exhibit A Service Cost Pricing Worksheet and submit it with the Proposal.

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## 6 Exhibits

### Exhibit A – Service Cost Pricing Worksheet

The purpose of this Service Cost Pricing Worksheet is to gather pricing from contractors in a structured format. It is probable, but not certain, that the City will issue a Best and Final Offer (BAFO) for pricing. Any BAFO may incorporate business models and/or features different than those currently contemplated in this RFP.

All contractors are required to complete the Required Proposal Pricing Model, below. The City is focused on reducing and, ideally, eliminating the annually recurring operating losses at the golf courses. While the City is interested in revenue sharing strategies for the golf courses over the long term, its primary focus at this time is to make the golf courses self-sustaining and to eliminate existing subsidies.

The City will place a higher value on those models that provide greater levels of certainty with respect to financial outcomes and that place more responsibility on the contractors.

#### Required Proposal Pricing Model

##### Estimated Gross Revenues and Total Expenses

Using the table below, provide estimated gross revenues and total expenses for the two courses (combined) for the calendar years indicated. All revenue and all expenses from any aspect of the course operations should be included.<sup>1</sup>

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
Gross Revenues					
Total Expenses					

##### Proposed Monthly Fee (City Subsidy)

Using the table below, provide the proposed monthly fee (if any) that the contractor will require from the City. This amount may, but need not, correspond to any difference between estimated gross revenue and total expenses listed above. Low or no monthly fees are the preferred option.

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
Proposed Monthly Subsidy					

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<sup>1</sup> The City retains the right to allocate a portion of the benefits generated from the proposed transaction to cover transaction advisor costs. Respondents need not address this in the pricing.

Gross Revenue Share

Using the table below, provide the percentage of gross revenues (if any) that the contractor will share with the City. If gross revenue sharing starts only above a specific level, state that level.

	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
% of Gross Revenues Shared with City					

Contractor Proposed Alternatives

The City is interested in strategies that will further improve financial performance and increase customer satisfaction. Contractors are permitted to propose alternatives to achieve those goals for the City's consideration in the space below, using extra space as needed. Alternatives can include things such as operational changes, increased management flexibility, modified fee/rate schedules, CPI adjustments, or different contract pricing models. Alternatives should be fully explained and the financial impacts should be clearly described.



## **EXHIBIT C**

### **Form of Transmittal Letter**

The Proposal must include one fully-executed Proposal Transmittal Letter from the Contractor acknowledging, among other things, that the Contractor has completely reviewed and understands and agrees to be bound by the requirements of this RFP.

The Proposal Transmittal Letter and all attachments thereto must be signed by a representative of the Contractor who is empowered to sign it and to commit the Contractor to the obligations contained in the Proposal. A Certificate of Authorization must also be submitted with the Proposal.

If the Contractor is a partnership, the Proposal Transmittal Letter must be signed by one or more of the general partners. If the Contractor is a corporation, an authorized officer shall sign his or her name and indicate his or her title beneath the full corporate name. If the Contractor is a joint venture, each firm in the joint venture shall sign a separate Proposal Transmittal Letter. Anyone signing the Proposal Transmittal Letter as an agent must file with it legal evidence of his or her authority to execute such Proposal Transmittal Letter.