

ADDENDUM NUMBER TWO to the Request for Proposals (RFP) For the Management and Operation of Antelope Hills Golf Courses.

Date of Addendum: October 25, 2013

BID OPENING: November 21, 2013 2:00 pm Az time 2013

To all proposers on the above project:

Additional Responses to questions from the October 17 Pre-Proposal meeting

Q. Can we get a breakdown of rounds?

A. FY 13

Complementary 3085
Employee/Volunteer 1667
Non-Resident 3163
Player Card 10875
Replay 383
Resident 32978
Rewards redeemed -2539
Tournament 6040

Total 55,652

Q. Can we get a complete P&L for the last 2-3 years?

A. See page 6

Q. Are there outside revenues from non golf business? Are numbers broken down anywhere for that revenue?

A. The only substantial non golf revenue is in the restaurant and banquet facility which is provided in the P&L on page 6 and in the RFP.

Q. Can we provide the city with different proposal options? For example different types of bids such as management contract or lease from the same company?

A. The RFP was written to provide flexibility for proposals. As long as the proposal meets the scope of work outlined in the RFP it will be considered.

Q.What is the current breakdown of staff and their role ?

A. See the FY13 organizational chart provided on page 5



**Management and Operation of Antelope Hills
Golf Course
Request for Proposal
October 17, 2013
PRESCOTT, ARIZONA**

MINUTES OF THE Request for Proposals FOR THE Management and Operation of Antelope Hills Golf Course held on October 17, 2013 in the Antelope Hills Clubhouse located at 1 Perkins Dr., Prescott, Arizona.

Introductions: City Staff

Joe Baynes, Tim Legler, Alison Zelms, Amanda Davis

Overview of Project:

The city is looking for a public and private partnership for operating the golf course. The city would maintain the golf course area and the private partnership would handle the operations of the driving range, pro shop, cart barn, restaurant services and the rentals of the banquet hall.

Key dates:

Deadline for questions, October 28, 2013 by 5 PM AZ time

Deadline for addenda November 4, 2013

Proposal deadline, November 21, 2013 at 2:00 PM AZ time

Council approval of agreement desired date January 14, 2014.

Outcome of the proposal is that the city would like to have a new operator in place by February 1, 2014.

Proposal Requirements:

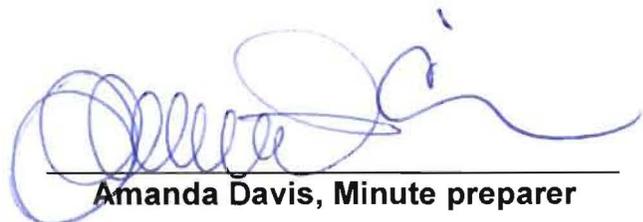
Due by 2PM Arizona time on November 21, 2013 to the City Clerk's office, 201 S. Cortez St., Prescott, AZ 86303. Proposals must be sealed.

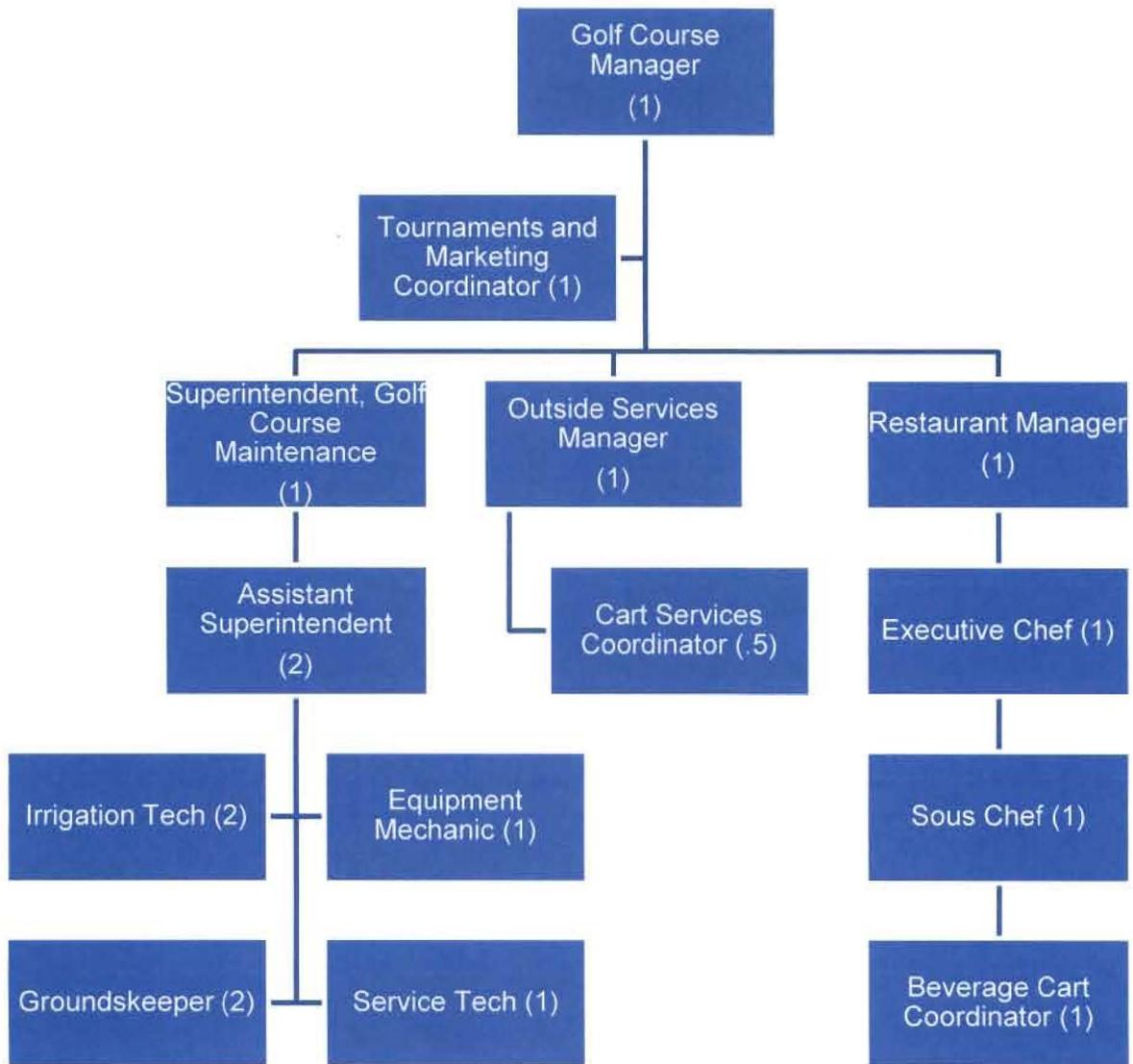
Questions and Discussion:

- **Is this an Enterprise fund?**
 - **Yes**
 - **Is it solvent?**
 - **No, golf course has lost money the last few years. Last year the revenue covered approximately 92% of the entire operational costs which included maintenance and the business side. Part of the loss has been caused by prior capital improvements.**
- **Can you get a complete P & L for the past 2-3 years?**
 - **We can try to get the information from our finance department**
- **Breakdown of rounds?**
 - **We can get that information**
- **Restaurant employees, are they City employees?**
 - **Yes**

- Is there an obligation to retain them?
 - No, but the staff is very capable of running the golf course.
- Can we get the historical budget numbers for maintenance?
 - Yes, approx 1.4 million dollars per year for both courses is what the cost has been.
- Are there outside revenues from non golf business? Are there numbers broken down anywhere for that revenue?
 - We can get the information
- Is there a person for selling or looking for outside revenue?
 - Yes, it is not a full time position
- For tournaments, is there a person responsible for looking for those types of revenue?
 - Yes
- Does he look for outside Tournaments?
 - Yes
- Can you confirm what the City is looking for, management contract or lease agreement?
 - Want a proposal that will work well for both parties
- Is it the proposer's responsibility to purchase the Golf carts?
 - Yes, that would be at the proposers cost. The city would like the proposer to purchase the golf cart fleet at fair market value. Rough estimated value is \$208,000 there are approximately 130 carts.
 - When was the last time the batteries were changed?
 - The carts were new approximately two years ago so the batteries are expected to last about two years longer.
- Can we provide the city with different proposal options? For example different types of bids such as a management contract or lease, from the same company.
 - We will have to consider it and answer the question at a later time.
- Will there be a list of personal property provided that the private operator will be in charge of? Will there be any contracts to take over for any equipment?
 - Yes there will be a list provided along with any lease agreements.
- What type of POS system is currently being used at the golf course?
 - Ezlinks for the pro shop and squirrel for the restaurant
 - Is it on a trade out model or are you paying?
 - Trade out system with ezlinks
 - How often is it traded out?
 - Two tee times per course one time per day seven days a week
- What is the current breakdown of staff and their roll?
 - We can provide an organizational chart.


 Joe Baynes, Recreation Services Director


 Amanda Davis, Minute preparer



Antelope Hill Golf Course
Comparison of Revenues and Expenditures
UNAUDITED

	Fiscal Year 2012	Fiscal Year 2013
Revenue		
Green fees	\$ 1,111,201	\$ 1,109,627
Restaurant sales	759,300	762,895
Golf cart rentals	474,702	486,996
Range balls	97,043	100,290
Pro-shop sales (including Player Cards)	163,415	162,966
Miscellaneous	5,829	18,567
Total	\$ 2,611,490	\$ 2,641,341
Expenditures		
Course and Pro-shop		
Personnel	\$ 1,020,809	\$ 1,007,228
Operating Supplies	322,800	363,632
Other Services and Charges	606,141	585,482
Debt Service Principal	127,882	127,508
Debt Service Interest	16,255	13,386
Total	2,093,887	2,097,236
Manzanita Grille/Centennial Center		
Personnel	372,322	387,021
Operating Supplies	289,231	316,799
Other Services and Charges	102,013	106,699
Total	763,566	810,519
Total Expenditures	\$ 2,857,453	\$ 2,907,755
Excess (Deficit) of Revenues over Expenditures	\$ (245,963)	\$ (266,414)

MW Golf Revenue History.xlsx 10/22/2013 7:43 AM

END-

City of Prescott Parks and Recreation Department

Joe Baynes 10/25/13
Joe Baynes Parks and Recreation Director

Acknowledgement (this document must be signed and turned in with the bid documents)

Company Name Date

Signature of Company Official