



Legislation Details (With Text)

File #: 120296. **Version:** 7 **Name:** Bid/Proposal Process for the Operation and/or Maintenance of Ironwood Golf Course (B)
Type: Discussion Item **Status:** Passed
File created: 9/24/2012 **In control:** City Manager
On agenda: 10/17/2013 **Final action:** 10/17/2013
Title: Update and Bid Award - Maintenance of Ironwood Golf Course (B)

This is a request for the City Commission to hear an update and award a bid to OneSource Landscape and Golf Services, Inc. for Maintenance Only of Ironwood Golf Course. *estimated staff presentation 20 minutes*

Sponsors:

Indexes:

Code sections:

Attachments: 1. 120296_Vendor Report_20120924.pdf, 2. 120296_Minutes_20130502.pdf, 3. 120296A_Ironwood PPT_20131017.pdf, 4. 120296B_Financial Summary_20131017.pdf

Date	Ver.	Action By	Action	Result
10/17/2013	7	City Commission	Approved as Amended	Pass
5/2/2013	6	City Commission	Approved as Recommended	Pass
2/7/2013	5	City Commission	Approved as Recommended	Pass
1/28/2013	5	Recreation, Cultural Affairs and Public Works Committee		
10/22/2012	2	Recreation, Cultural Affairs and Public Works Committee	Approved by Consensus	Pass
9/24/2012	1	Recreation, Cultural Affairs and Public Works Committee	Approved as shown above (See Motion)	Pass
8/16/2012	0	City Commission	Referred	Pass

Update and Bid Award - Maintenance of Ironwood Golf Course (B)

This is a request for the City Commission to hear an update and award a bid to OneSource Landscape and Golf Services, Inc. for Maintenance Only of Ironwood Golf Course. *estimated staff presentation 20 minutes*

The City purchased Ironwood Golf Course in 1992 for \$1.2 million and approximately \$1 million was bonded for improvements. The City completed payment of this original debt in FY12. In 2008, due to the City's ongoing fiscal challenges, a team of City employees began a project to identify and evaluate options for the future of Ironwood Golf Course that ranged from selling the property, to converting the property to a passive park, to investing in critical capital improvements while retaining the golf course. The City hired the National Golf Foundation Consulting Services (NGF) to work with the City's team to evaluate Ironwood Golf Course and its operations providing options and recommendations.

Ultimately NGF's report was provided to the City Commission and the Commission decided to retain Ironwood as a City operated golf course and to complete capital improvements essential to the ongoing viability of the

golf course. To this end, the City invested approximately \$1.3 million to improve long running drainage issues, rebuild the greens and complete other improvements. The Commission also made the long-term decision to transition Ironwood Golf Course from an enterprise fund to the general fund over a 10-year period to allow time to pay off the accumulated deficit (\$300,000 annually over 10 years through FY19). As of FY20, the accumulated deficit will have been paid off and Ironwood will be part of the general fund no longer subject to indirect costs and treated similar to other Parks, Recreation and Cultural Affairs operations. Based on the policy decisions made by the City Commission, staff believes that a key gauge of the current performance of Ironwood Golf Course is the net annual cost of operating the golf course (a view of Ironwood as if it were already part of the general fund).

The golf course reopened for play in November 2010. Ironwood's performance since that time has generated more than enough revenue to cover the costs of the capital improvements; however, the annual rounds played and revenue has not yet reached the potential identified by NGF. City staff believed the potential remains for improving Ironwood's performance as a City operated golf course as the economy recovers and by fully implementing a number of the operational recommendations made by NGF. City staff believed the timing was appropriate to explore private sector interest and capabilities in the operation and/or maintenance of Ironwood Golf Course. On August 16, 2012, the City Commission approved a bid/proposal process for the operation and/or maintenance of Ironwood Golf Course. To achieve this, the City contracted with NGF to assist the City with a bid/proposal process that allowed the City to solicit proposals for private sector operation and/or maintenance of the golf course and compare the advantages and disadvantages of contracting for services versus continued operation by the City. On August 16, 2012, the City Commission also referred the potential of including a sale option in the bid/proposal process to the Recreation, Cultural Affairs & Public Works Committee. The Committee discussed this referral and approved a recommendation that the City Commission proceed with including a sale option in the upcoming bid process with the restriction that the property continue as a municipal (publicly accessible) golf course. Subsequently staff met with NGF and they strongly recommended that a sale option not be included in the bid/proposal process feeling that it could negatively impact bids for the operation and/or maintenance of Ironwood Golf Course.

On August 7, 2013 the City of Gainesville received Requests for Proposals (RFPs) for Ironwood Golf Course. The proposals were broken into two types: Full Service Management and Maintenance Only. Based on the proposals received, the evaluation team is recommending the "Maintenance Only" contract be awarded to One Source Landscaping and Golf Services, Inc. Their bid was the low bid, was \$30,000 lower than their current price, and their proposed price also included an additional service of re-grassing all 18 fairways at no cost to the City, which has been identified as an unfunded capital need at the golf course. Regarding the Full Management Service bids, the team and the NGF independent consultant did not feel any of the bidders would provide a cost benefit to the city equal to their proposed management fee. All bids were submitted for a four-year term; OneSource's price was \$490,000 for Year 1, with 2% annual increases.

Funds for the Maintenance of Ironwood Golf Course are available in the FY13-14 Ironwood Golf Course fund.

The City Commission: 1) hear a brief update regarding the Request for Proposals for Ironwood Golf Course; 2) award a bid to OneSource Landscape and Golf Services, Inc., for maintenance of Ironwood Golf Course including their proposal to re-grass the fairways at no cost to the City; and 3) authorize the City Manager or designee to execute the contract and other documents necessary to facilitate this service, subject to approval by the City Attorney as to form and legality.