



## **REQUEST FOR PROPOSALS**

**RFP # 19-20-001**

For

**Sierra Del Rio Golf Course,  
Restaurant, & Bar  
Concessionaire Services**

**Issued: July 19, 2019**

**Proposals Due: September 9, 2019 by 10:00am**



**CITY OF ELEPHANT BUTTE, NEW MEXICO**

**CITY OF ELEPHANT BUTTE**  
**REQUEST FOR PROPOSALS**  
**SIERRA DEL RIO GOLF COURSE OPERATING CONCESSION**

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**RFP TITLE:** SIERRA DEL RIO GOLF COURSE OPERATING CONCESSION

**RFP NO.:** 19-20-001

**DUE DATE/TIME:** September 9, 2019 by 10:00am

**RESPOND TO:** Rani Bush, City Clerk  
City of Elephant Butte  
P.O. Box 1080  
103 Water Ave.  
Elephant Butte, NM, 87935

**COPIES:** Please submit a total of 6 copies of your proposal.

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**SCHEDULE (all dates are approximate except for DUE DATE)**

Release/First Advertisement of RFP	July 19, 2019
Deadline for Questions	August 23, 2019, 2019 by 4 p
Due Date for Proposals	September 9, 2019 by 10am
Evaluation of Proposals	September 10-11, 2019
Recommendation of Award	TBD
Award of Contract	TBD
Execution of Contract	TBD

All dates except the Due Date for Proposals represent a tentative schedule. The city reserves the right to modify these dates at any time.

## **I. INTRODUCTION**

The City of Elephant Butte currently operates the Sierra Del Rio golf course located in the city within the Turtleback Mountain Resort (TMR). Turtleback is a planned unit development that is being developed privately. It currently has approved subdivisions intended for single-family and patio homes. The golf course is located the southwest end of the subdivision.

### **Golf Course**

Sierra Del Rio is an 18-hole championship golf course that winds its way through desert canyons; offering golfers unparalleled views of Turtleback Mountain and the Rio Grande River Valley. The golf course proudly boasts multiple tee boxes at each hole, challenging fairways, large greens, concrete cart paths and beautifully designed water features.

The course has a fully operational sprinkler watering system, drawing water from wells, using pumps as delivery mechanisms. The city receives 550 acre-feet of water rights for use on the course which will be provided to the operator at no cost. The use of the water rights is sufficient for high-quality maintenance of the golf course, and the course is currently maintained in excellent condition.

The golf course also includes practice facilities and a driving range. The city has a current lease of 50 Yamaha gasoline-powered golf carts. The operator will be responsible for maintaining the fleet and for making the lease payments according to the terms of the lease agreement. The city has a current lease for mowers and other vehicles used by the maintenance department. The selected operator will have the use of the equipment and will be responsible for its maintenance, lease term and/or replacement.

### **Club House**

The clubhouse is maintained in excellent condition. It includes a fully-equipped restaurant and kitchen, full-service bar, pro shop, cart barn, and extensive decks and patios. The city will provide the operator with a New Mexico Governmental Liquor License which permits full service in the clubhouse and on the golf course. The operator will be required to lease the license from the city at a monthly fee of \$1,500.

The clubhouse building has three floors. The ground floor adjoins a landscaped patio adjacent to the golf course and contains the cart barn and some kitchen and bar appliances. The main floor contains the pro shop, restaurant, bar and an extensive deck overlooking the patio and golf course. The third floor consists of office space occupied by the Turtleback developers and is not a part of the golf course or clubhouse operation. The parking lot and outdoor pedestrian areas are common areas for all uses.

## **Purpose**

The City intends for the selected operator to operate and manage all aspects of the Sierra Del Rio golf course, including the clubhouse restaurant and bar on a concession basis. The operator will pay a fee to the City for the concession and will otherwise have full responsibility for all revenue, expenses, profit and loss. All personnel will be employees or contractors subject to the operator's control and management, and not that of the City. Please note that the City of Elephant Butte and the surrounding communities have small populations and a limited workforce pool. The city currently has a qualified staff filling most positions at Sierra Del Rio. The city encourages offerors to consider retaining these employees.

Pursuant to state law, the term of this Agreement cannot exceed 8 years. The City anticipates an 8-year term, but an offeror may base its proposal on any number of years deemed appropriate to the proposal, not exceeding 8 years.

## **II. SCOPE OF SERVICES**

### **A. Operation and maintenance of golf course.**

#### **1. Days and hours.**

- a. The city desires that the golf course shall be open to the public every day of the year except for Christmas Day. A proposal may specify other days on which the golf course will not be open, with reasons given for the proposed closures.
- b. The operating hours should be commensurate with similar golf courses in the region, adjusted seasonally.

#### **2. Golf Professional.**

- a. The operator must provide at least one full-time golf professional certified as a PGA Class A professional. Assistants may be employed as needed, with such qualifications as may be determined by the professional.
- b. The professional shall offer instruction.
- c. The professional shall have authority for reserving tee times, arranging tournaments or other special events, management of golf course activities and players, and enforcement of rules and regulations.
- d. The operator shall arrange for tournament play, league play and student practice on levels commensurate with similar golf courses in the region.

**3. Course maintenance.**

- a. The selected operator must provide a full-time, qualified golf course superintendent. The offeror may consider employing the current superintendent on either an interim or permanent basis.
- b. The superintendent shall be responsible for maintenance of the golf course, including operation and maintenance of the wells, storage ponds, delivery systems and all other aspects of the water system.

**B. Operation and maintenance of restaurant and bar.**

1. **Days and hours.** The clubhouse food and beverage facilities, including service on the golf course, shall be open on all days that the golf course is open. Operating hours shall be commensurate with similar club house facilities in the region. The clubhouse facilities shall include all decks and patios and interior common areas.
2. **Regular Service.** The city intends that the operator keep the restaurant open to the public and that the operator provide bar service that offers beer, wine and spirits.
3. **Special Events.** The operator must provide food and beverage service for tournaments and special events authorized by the golf professional, and may provide banquet, catering and other event services.
4. **Maintenance.** All furniture, appliances and equipment are owned by the city. The operator shall be responsible for maintaining food and beverage inventories, providing adequate staffing, regular cleaning and maintenance, and repair and replacement of equipment. Replacements shall be the property of city if purchased with city funds and shall be the property of the operator if purchased with the operator's funds.
5. **Existing Inventory.** The Concessionaire will be required to purchase, at a negotiated price, the food, beverage and pro shop inventories.
6. **Certifications.** All persons serving alcoholic beverages shall meet the regulatory and certification standards of the State of New Mexico.

**C. Operation and maintenance of pro shop.**

1. The operator may assign responsibility for operation and maintenance of the pro shop to the golf professional or may otherwise provide for its management.
2. The pro shop shall operate according to such schedule and shall offer such inventory as are commensurate with similar pro shops in the region.
3. The operator or the professional, as determined by the operator, shall be responsible for regular cleaning and maintenance of the pro shop.

#### **D. Maintenance facilities.**

1. **Cart barn.** The cart barn is located on the ground level of the clubhouse. The operator shall be responsible for maintaining all golf carts in good condition and employing such qualified staff as is necessary for maintenance and repair of the carts and the cart barn itself and barn equipment.
2. **Maintenance garage.** The golf course has a separate maintenance facility housing the equipment necessary for golf course operation and maintenance. The operator shall be responsible for operation, repair and maintenance of all such equipment and of the facility, and shall employ such qualified staff as necessary.
3. **Common Areas.** The operator shall be responsible for maintenance and repair of all outdoor areas not otherwise identified herein, including parking lots, driveways, cart paths and pedestrian walkways.

**E. Marketing.** Sierra Del Rio is located in a tourist, second-home and recreational community. The city desires to maximize the availability of the golf course and clubhouse facilities to guests from outside the city. The operator will be expected to market the facilities within the region and beyond the region as may be reasonable. The operator will need to provide a marketing plan and marketing budget to the city annually.

### **III. PROPOSAL CONTENT**

Proposals must contain detailed information addressing each of the following items. The proposal must be in the order indicated, with clear separation of categories. Proposers may include such supplementary material for each category as they wish. However, printed supplementary material may not be used as a substitute for detailed explanations.

- A. Qualifications and experience of offeror.** Please provide a detailed account of your company's experience in golf course and clubhouse management, specifying the experience for each category of operation identified in the Scope of Services. Actual data from other golf course operations should be provided to the extent permissible under any proprietary restrictions. In the event that the company has defaulted under any previous agreement, you must provide details regarding the default, including all liabilities of the company for such default. Resumes must be submitted for each principal of the company who will be involved in the administration or management of the services provided pursuant to the Agreement.
- B. Staffing.** The proposal must specify the positions that are required for each operational category identified in the scope of services. For each category, please specify the type of employee position, the anticipated number of persons required to fill the positions, the management positions, and pay ranges for each position. To the extent known, specific managers should be identified.
- C. Qualifications.** All positions requiring specialized knowledge, licensing or

certification must be identified. These include, but are not limited to, the golf professional, the golf course superintendent and the head chef. For each such position in which the individual is known, provide copies of the person's experience and qualifications. For positions for which the individual is not known, provide a list of the minimum experience and qualifications that will be required.

**D. Restaurant services.** The proposal must provide a description of the type or types of restaurant services proposed, e.g., standard American grill, type of menu, etc. The operator shall consult with the City regularly as to the type of menu, and may revise it from time to time as agreed upon between the parties.

**E. Subcontractors.** Identify any operation for which a subcontract is proposed, and the terms and conditions on which the subcontract will be based. Subcontractors should be identified to the extent known.

**F. Green fees and related prices.**

1. **Green fees.** The proposal should contain ranges of proposed green fees. The ranges should include such categories as the offeror deems expedient, including, but not limited to, regular season rates, high or low season rates, annual-pass rates or rates for other such multi-play increments, senior and youth rates, time-of-day rates (e.g., twilight play, 9-hole play, etc.), resident rates and non-resident rates.
2. **Cart fees.** The proposal should contain expected cart fees. The city currently allows private golf carts on the golf course upon payment of a fee. The proposal should specify whether the operator will allow private golf carts and, if so, any range of fees for such use.
3. **Driving range fees.** The proposal should contain expected driving range fees.

**G. Financial projections.** Proposals should contain pro forma balance sheets showing projected revenues and expenses for each operational category identified in the scope of services for each year of the agreement.

**H. Cost Proposal.**

The city intends to enter into an agreement with an operator to operate the enterprise as a concession, with the operator being responsible for all profit and loss and payment of an annual fee to the city.

The city nevertheless understands that the golf course and clubhouse operations may or may not produce profits. Accordingly, proposals should account both for payment of a fee to the city and for mitigation of losses. The ability of the company to absorb losses will be considered as part of the mitigation proposal.

Compensation to the city should be in the nature of a flat fee, a percentage of gross revenues, or both. The proposal should identify the form and amount of compensation

to the city that is proposed for each year. The proposal may include sliding scales as appropriate. In the event that the financial projections show deficits, the proposal must specify how the offeror will mitigate losses.

For example, if the pro forma projects a net loss in the first year, a break-even in the second year, and a profit in the third and subsequent years, the offeror may propose a sliding scale of payment to the city in order for the operator to mitigate or recoup its losses. The term of the contract is intended to afford sufficient opportunity for the operator to recoup any such losses and to benefit from profitable operations. Offerors are encouraged to be flexible and to submit alternative compensation proposals based on the projections and other variables, including separation of the different operations such as golf course revenues and clubhouse revenues.

The cost proposal may be in such format as the offeror desires, provided that proposals for each year are clearly delineated.

#### **IV. EVALUATION FACTORS**

##### **A. Experience and qualifications of company:**

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|--|-----------|
| 1. Golf course management, including experience and qualifications of key personnel:       | 30 points |
| 2. Food and beverage management, including experience and qualifications of key personnel: | 15 points |

##### **B. Resources of company:**

- |   |           |
|---|-----------|
| 1. Ability to provide adequate staffing and management: | 15 points |
| 2. Financial resources:                                 | 20 points |

##### **C. Cost proposal:**

- |  |           |
|--|-----------|
| 1. Fees payable to city and proposed mitigation of losses: | 20 points |
|--|-----------|

Total possible: 100 points

**D. Resident Business or Resident Veteran Business.** Any offeror who qualifies for either a Resident Business or Resident Veteran Business preference shall include the offeror's residency certificate issued by the New Mexico Taxation and Revenue Department or, if not available, the applicable Resident Business or Resident Veteran's Business number. Adjustments to the point score based on a preference shall be made in accordance with the provision of the New Mexico Procurement Code.

**E. Interviews/Presentations.** The City may request interviews with or oral presentations by any or all offerors. No points shall be awarded for such interviews or



presentations, and any points based on such interviews or presentations shall be included in the appropriate category identified herein.

- F. Award.** The award shall be made to the responsible offeror or offerors whose proposal is most advantageous to the city, taking into consideration the evaluation factors set forth in the request for proposals

## **V. INSTRUCTIONS**

- A. Receipt of RFP.** Any potential offeror requesting a copy of this RFP shall provide the clerk with contact information by which amendments to the RFP may be provided to the offeror.
- B. Amendments to RFP.** Any explanation desired by or question from an offeror regarding the meaning or interpretation of this RFP must be requested in writing from the City Clerk prior to the Deadline for Questions. All answers, clarifications or revisions provided by the City shall be considered amendments to the RFP and will be provided to all offerors that have requested copies of the RFP and that have provided contact information to the clerk.
- C. Acknowledgement of Amendments.** Receipt of an amendment to the RFP by an offeror must be acknowledged (a) by signing and returning the amendment, or (b) by specific inclusion of receipt of the amendment with submission of the proposal. Such receipt must be received prior to the date and hour specified for receipt of proposals. It is the responsibility of all offerors to make sure that they have received all amendments prior to making an offer.
- D. Submission of Proposals.** Proposals and modifications thereto shall be enclosed in sealed envelopes and addressed to the City Clerk as shown above. Proposals may be mailed to the clerk at the post office box or may be delivered to the clerk at the street address. Electronic or faxed proposals will not be accepted.

Six copies of the proposal, on 8 ½ x 11 paper, bound on left side should be submitted. The outside of the envelope should be clearly marked with the name and address of the proposer, as well as the following:

**ATTN: RANI BUSH, CITY CLERK  
RFP19-20-001 CONCESSIONAIRE SERVICES**

**PROPOSALS MUST BE RECEIVED IN THE OFFICE OF THE CITY CLERK  
NOT LATER THAN 10:00 A.M., SEPTEMBER 9, 2019.**

All proposals received after the deadline will not be considered and will be returned unopened. Incomplete proposals shall be considered "Non-Responsive" and returned.

- E. Unsolicited Communication.** To insure the proper and fair evaluation of all proposals, the City prohibits unsolicited communication initiated by a prospective

Bidder or Bidders to a City Official or Employee prior to the time of a contract award. Questions and other communication will be permissible until 4:00 pm on the day specified as the deadline for questions (see Bidding Schedule); any such questions or communications shall be submitted in writing via email to [cityclerk@cityofelephantbutte.com](mailto:cityclerk@cityofelephantbutte.com) and must be submitted prior to the stated deadline. All questions will be formally answered via addenda. Unsolicited communication shall be grounds for disqualifying the offending Bidder from consideration for award of the solicitation then inevaluation.

- F. Modification or Withdrawal of Proposals.** Proposals may be modified or withdrawn at any time prior to the time and date specified for receipt of proposals.
- G. City Rights Reserved.** The City reserves the right to reject any or all proposals and to waive informalities and minor irregularities in proposals received. The City shall not be responsible for the payment of any costs incurred by the offeror in the preparation or submission of a proposal.
- H. Proprietary Data.** All proposals shall be open to public inspection after award of contract, except to the extent the offeror designates trade secrets or other proprietary data to be confidential. Material so designated shall be clearly marked and readily separable from the proposal in order to facilitate public inspection of the non-confidential portion of the proposal. Offerors are cautioned that materials designated as confidential may nevertheless be subject to disclosure pursuant to the provisions of the Inspection of Public Records Act, NMSA (1978), §§ 14-2-1 *et seq.*
- I. Campaign Contributions Disclosure Form.** The offeror must submit a Campaign Contribution Disclosure Form, attached to this RFP, with the proposal.

THIS CONCLUDES THIS RFP.